

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended March 31, 2001

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 1-12139

SEALED AIR CORPORATION
(Exact name of registrant as specified in its charter)

Delaware

(State or Other Jurisdiction of
Incorporation or Organization)

65-0654331

(I.R.S. Employer
Identification Number)

Park 80 East
Saddle Brook, New Jersey

(Address of Principal
Executive Offices)

07663-5291

(Zip Code)

Registrant's telephone number, including area code: (201) 791-7600

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 X NO

There were 83,657,527 shares of the registrant's common stock, par value \$0.10 per share, outstanding as of April 30, 2001.

PART I
FINANCIAL INFORMATION

SEALED AIR CORPORATION AND SUBSIDIARIES
Consolidated Statements of Earnings
For the Three Months Ended March 31, 2001 and 2000
(In thousands of dollars, except for per share data)
(Unaudited)

	2001	2000
	-----	-----
Net sales	\$ 758,272	\$ 741,464
Cost of sales	518,027	483,475
	-----	-----
Gross profit	240,245	257,989
Marketing, administrative and development expenses	132,162	129,758
Goodwill amortization	14,260	12,310
	-----	-----
Operating profit	93,823	115,921
Other income (expense):		
Interest expense	(20,014)	(13,088)
Other, net	(10,163)	(1,946)
	-----	-----
Other (expense), net	(30,177)	(15,034)
	-----	-----
Earnings before income taxes	63,646	100,887
Income taxes	29,086	45,904
	-----	-----
Net earnings	\$ 34,560	\$ 54,983
	=====	=====
Less: Series A preferred stock dividends	13,754	17,097
Add: Excess of book value over repurchase price of Series A preferred stock	4,035	2,779
	-----	-----
Net earnings ascribed to common shareholders	\$ 24,841	\$ 40,665
	=====	=====
Earnings per common share (See Note 3):		
Basic	\$ 0.30	\$ 0.49
	=====	=====
Diluted	\$ 0.25	\$ 0.45
	=====	=====
Weighted average number of common shares outstanding: (000)		
Basic	83,649	83,629
	=====	=====
Diluted	83,732	84,382
	=====	=====

See accompanying notes to consolidated financial statements.

SEALED AIR CORPORATION AND SUBSIDIARIES
Consolidated Balance Sheets
March 31, 2001 and December 31, 2000
(In thousands of dollars, except share data)

	March 31, 2001 (Unaudited)	December 31, 2000
ASSETS		
- - - - -		
Current assets:		
Cash and cash equivalents	\$ 102,358	\$ 11,229
Notes and accounts receivable, net of allowances for doubtful accounts of \$21,760 in 2001 and \$21,171 in 2000	473,692	505,935
Inventories	313,506	309,116
Other current assets	56,235	50,800
Total current assets	945,791	877,080
Property and equipment:		
Land and buildings	430,913	440,468
Machinery and equipment	1,384,382	1,405,119
Other property and equipment	110,174	112,184
Construction-in-progress	108,044	85,707
	2,033,513	2,043,478
Less accumulated depreciation and amortization	1,018,199	1,011,337
Property and equipment, net	1,015,314	1,032,141
Goodwill, less accumulated amortization of \$149,265 in 2001 and \$135,240 in 2000	1,942,936	1,959,909
Other assets	172,276	178,968
Total Assets	\$4,076,317	\$4,048,098

See accompanying notes to consolidated financial statements.

SEALED AIR CORPORATION AND SUBSIDIARIES
Consolidated Balance Sheets
March 31, 2001 and December 31, 2000 (Continued)
(In thousands of dollars, except share data)

	March 31, 2001 (Unaudited)	December 31, 2000
	-----	-----
LIABILITIES, PREFERRED STOCK & SHAREHOLDERS' EQUITY		

Current Liabilities:		
Short-term borrowings	\$ 221,661	\$ 290,428
Current portion of long-term debt	1,285	1,418
Accounts payable	162,365	154,881
Other current liabilities	179,802	194,958
Income taxes payable	75,455	32,883
	-----	-----
Total current liabilities	640,568	674,568
Long-term debt, less current portion	1,002,288	944,453
Deferred income taxes	210,314	210,581
Other liabilities	73,242	72,994
	-----	-----
Total Liabilities	1,926,412	1,902,596
	-----	-----
Authorized 50,000,000 preferred shares. Series A convertible preferred stock, \$50.00 per share redemption value, authorized 28,289,714 shares in 2001 and 2000, outstanding 27,608,562 shares in 2001 and 27,847,462 shares in 2000, mandatory redemption in 2018		
	1,380,428	1,392,373
Shareholders' equity:		
Common stock, \$.10 par value per share. Authorized 400,000,000 shares; issued 84,358,292 shares in 2001 and 84,352,492 shares in 2000	8,436	8,435
Additional paid-in capital	693,107	689,084
Retained earnings	313,932	293,126
Accumulated translation adjustment	(199,451)	(187,779)
	-----	-----
	816,024	802,866
	-----	-----
Less: Deferred compensation	13,905	17,073
Less: Cost of treasury common stock, 708,765 shares in 2001 and 706,265 shares in 2000	31,121	31,143
Less: Minimum pension liability	1,521	1,521
	-----	-----
Total Shareholders' Equity	769,477	753,129
	-----	-----
Total Liabilities, Preferred Stock and Shareholders' Equity	\$ 4,076,317	\$ 4,048,098
	=====	=====

See accompanying notes to consolidated financial statements.

SEALED AIR CORPORATION AND SUBSIDIARIES
Consolidated Statements of Cash Flows
For the Three Months Ended March 31, 2001 and 2000
(In thousands of dollars)
(Unaudited)

	2001	2000
	-----	-----
Cash flows from operating activities:		
Net earnings	\$ 34,560	\$ 54,983
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	57,167	55,091
Amortization of bond discount	83	82
Deferred tax (benefit) provision	(297)	2,953
Net (gain) loss on disposals of property and equipment	(244)	63
Changes in operating assets and liabilities, net of businesses acquired:		
Notes and accounts receivable	19,019	(12,211)
Inventories	(13,428)	(20,548)
Other current assets	(2,821)	(1,584)
Other assets	(4,413)	(922)
Accounts payable	11,384	1,440
Other current liabilities	34,688	29,812
Other liabilities	1,793	(773)
	-----	-----
Net cash provided by operating activities	137,491	108,386
	-----	-----
Cash flows from investing activities:		
Capital expenditures for property and equipment	(39,885)	(23,867)
Proceeds from sales of property and equipment	1,211	296
Businesses acquired in purchase transactions, net of cash acquired	0	(27,542)
	-----	-----
Net cash used in investing activities	(38,674)	(51,113)
	-----	-----
Cash flows from financing activities:		
Proceeds from long-term debt	104,152	101,221
Payment of long-term debt	(34,790)	(46,385)
Dividends paid on preferred stock	(14,143)	(17,791)
Purchases of treasury common stock	0	(14,145)
Purchases of preferred stock	(7,909)	(57,458)
Proceeds from stock option exercises	0	233
Net payment of short-term borrowings	(62,263)	(19,988)
	-----	-----
Net cash used in financing activities	(14,953)	(54,313)
	-----	-----
Effect of exchange rate changes on cash and cash equivalents	7,265	1,089
	-----	-----
Cash and cash equivalents:		
Increase during the period	91,129	4,049
Balance, beginning of period	11,229	13,672
	-----	-----
Balance, end of period	\$ 102,358	\$ 17,721
	=====	=====

See accompanying notes to consolidated financial statements.

SEALED AIR CORPORATION AND SUBSIDIARIES
 Consolidated Statements of Cash Flows
 For the Three Months Ended March 31, 2001 and 2000 (Continued)
 (In thousands of dollars)
 (Unaudited)

	2001 -----	2000 -----
Supplemental Cash Flow Items:		
Interest payments, net of amounts capitalized	\$ 14,510 =====	\$ 6,104 =====
Income tax payments	\$ 11,601 =====	\$ 17,304 =====
Non-Cash Items:		
Issuance of shares of common stock to the profit-sharing plan	\$ --- =====	\$ 13,877 =====

See accompanying notes to consolidated financial statements.

SEALED AIR CORPORATION AND SUBSIDIARIES
 Consolidated Statements of Comprehensive Income
 For the Three Months Ended March 31, 2001 and 2000
 (In thousands of dollars)
 (Unaudited)

	Three Months Ended March 31,	
	2001	2000
Net earnings	\$ 34,560	\$ 54,983
Other comprehensive income:		
Foreign currency translation adjustments	(11,672)	2,605
Comprehensive income	\$ 22,888	\$ 57,588

See accompanying notes to consolidated financial statements.

SEALED AIR CORPORATION AND SUBSIDIARIES
Notes to Consolidated Financial Statements
March 31, 2001 and 2000
(Amounts in thousands of dollars, except share and per share data)
(Unaudited)

(1) Basis of Consolidation

The consolidated financial statements include the accounts of Sealed Air Corporation and its subsidiaries (the "Company"). All significant intercompany transactions and balances have been eliminated in consolidation. In management's opinion, all adjustments (consisting only of normal recurring accruals) necessary for a fair presentation of the consolidated financial position as of March 31, 2001 and results of operations for the three months ended March 31, 2001 and 2000 have been made. The consolidated statement of earnings for the three months ended March 31, 2001 is not necessarily indicative of the results to be expected for the full year.

Prior period net sales and cost of sales have been reclassified to conform to the current year's presentation with respect to Emerging Issues Task Force Issue No. 00-10, "Accounting for Shipping and Handling Fees and Costs", which the Company adopted during the fourth quarter of 2000.

Certain other prior period amounts have been reclassified to conform to the current year's presentation.

(2) Series A Convertible Preferred Stock

The outstanding Series A preferred stock is convertible at any time into approximately 0.885 share of common stock for each share of preferred stock, votes with the common stock on an as-converted basis and pays a cash dividend, as declared by the Board of Directors, at an annual rate of \$2.00 per share, payable quarterly in arrears. Subject to certain conditions (which have not been met as of March 31, 2001) set forth in the Company's Certificate of Incorporation, as amended, the Series A preferred stock is redeemable at the option of the Company. The Series A preferred stock is also subject to mandatory redemption on March 31, 2018 at \$50 per share, plus any accrued and unpaid dividends to the extent such shares remain outstanding. Because it is subject to mandatory redemption, the Series A convertible preferred stock is classified outside of the shareholders' equity section of the consolidated balance sheet. At its date of issuance, the fair value of the Series A preferred stock exceeded its mandatory redemption amount primarily due to the common stock conversion feature of such preferred stock. Accordingly, the book value of the Series A preferred stock is reflected in the consolidated balance sheet at its mandatory redemption value. During the first quarter of 2001, the Company repurchased approximately 238,900 shares of the Company's Series A convertible preferred stock at a cost of approximately \$7,909, which represents a cost that is approximately \$4,035 below its book value. This excess of book value over the repurchase price of the preferred stock was recorded as an increase to additional paid-in-capital.

(3) Earnings Per Common Share

The following table sets forth the reconciliation of the basic and diluted earnings per common share computations for the three months ended March 31, 2001 and 2000.

	Three months ended March 31,	
	2001	2000

Basic EPS:		
NUMERATOR		
Net earnings	\$ 34,560	\$ 54,983
Add: Excess of book value over repurchase price of preferred stock	4,035	2,779
Less: Preferred stock dividends	13,754	17,097
=====		
Earnings ascribed to common shareholders	\$ 24,841	\$ 40,665
=====		
DENOMINATOR		
Weighted average common shares outstanding - basic	83,649	83,629

Basic earnings per common share(1)	\$ 0.30	\$ 0.49
=====		
Diluted EPS:		
NUMERATOR		
Earnings ascribed to common shareholders	\$ 24,841	\$ 40,665
Less: Excess of book value over repurchase price of preferred stock	4,035	2,779
Add: Dividends associated with repurchased preferred stock	--	71
=====		
Earnings ascribed to common shareholders-diluted	\$ 20,806	\$ 37,957
=====		
DENOMINATOR		
Weighted average common shares outstanding - basic	83,649	83,629
Effect of assumed exercise of options	--	120
Effect of conversion of repurchased preferred stock	83	633

Weighted average common shares outstanding - diluted	83,732	84,382

Diluted earnings per common share(2)	\$ 0.25	\$ 0.45
=====		

(1) The basic earnings per common share calculations for the three months ended March 31, 2001 and 2000 include a \$0.05 and \$0.03 per share gain, respectively, attributable to the repurchase of preferred stock for an amount below its book value. Such gains are not included in the calculations of diluted earnings per common share for the three months ended March 31, 2001 and 2000.

(2) For the purpose of calculating diluted earnings per common share, net earnings ascribed to common shareholders have been adjusted to exclude the gains attributable to the repurchase of preferred stock for an amount below its book value and to add back dividends attributable to such repurchased preferred stock in each period, and the weighted average common shares outstanding have been adjusted to assume conversion of the shares of preferred stock repurchased during each period in accordance with the Financial Accounting Standards Board's Emerging Issues Task Force D-53 guidance. The assumed conversion of the outstanding preferred stock is not considered in the calculation of diluted earnings per common share for all periods as the effect would be antidilutive.

(4) Inventories

At March 31, 2001 and December 31, 2000, the components of inventories by major classification were as follows:

	March 31, 2001	December 31, 2000
Raw materials	\$ 71,847	\$ 72,537
Work in process	62,807	63,798
Finished goods	200,807	193,169
Subtotal	335,461	329,504
Reduction of certain inventories to LIFO basis	(21,955)	(20,388)
Total inventories	\$ 313,506	\$ 309,116

(5) Income Taxes

The Company's effective income tax rates were 45.7% and 45.5% for the three months ended March 31, 2001 and 2000, respectively. These rates are higher than the statutory U.S. federal income tax rate primarily due to state income taxes and non-deductible goodwill amortization.

(6) Debt

A summary of long-term debt at March 31, 2001 and December 31, 2000 follows:

	March 31, 2001	December 31, 2000
Credit Agreement due March 2003	\$ 520,656	\$ 456,263
5.625% Euro Notes due July 2006, less discount of \$969 and \$1,056 in 2001 and 2000, respectively	176,631	185,145
6.95% Senior Notes due May 2009, less discount of \$1,866 and \$1,909 in 2001 and 2000, respectively	298,134	298,091
Other	8,152	6,372
Total	1,003,573	945,871
Less current installments	(1,285)	(1,418)
Long-term debt, less current installments	\$ 1,002,288	\$ 944,453

At December 31, 2000 the Company's two principal credit agreements were a 5-year \$525,000 revolving credit facility that expires on March 30, 2003 (included in long-term debt) and a 364-day \$375,000 revolving credit facility that expired on March 26, 2001 (included in short-term borrowings). On March 23, 2001, the Company replaced this 364-day revolving credit facility with a new \$194,375 364-day revolving credit facility on substantially similar terms, except for higher borrowing margins and facility fees, to the expired facility. The Company believes that the lower facility amount under this new 364-day facility together with its other resources will be satisfactory for its currently anticipated financing needs. Outstanding borrowings under the expired 364-day revolving credit facility were \$127,885 at December 31, 2000. No borrowings were outstanding under this facility at the time of its expiration. At March 31, 2001, there were no outstanding borrowings under the new 364-day revolving credit facility.

Such revolving credit agreements provide that the Company and certain of its subsidiaries may borrow for various purposes, including the refinancing of existing debt, the provision of working capital and other general corporate needs, including acquisitions, repurchase of the Company's outstanding common and preferred stock and capital expenditures. Amounts repaid under such credit agreements may be reborrowed from time to time. As of March 31, 2001, facility fees were payable on the total amounts available under such credit

agreements at the rates of 0.095% and 0.300% per annum under the 5-year revolving credit facility and the new 364-day revolving credit facility, respectively.

The Company's obligations under the revolving credit agreements referred to in the preceding paragraph bear interest at floating rates. The weighted average interest rate under such credit agreements was approximately 6.0% at March 31, 2001 and approximately 7.0% at December 31, 2000.

These revolving credit agreements provide for changes in borrowing margins based on the Company's senior unsecured debt ratings and, in addition with respect to the 5-year revolving credit facility, certain financial criteria. These revolving credit agreements, the Senior Notes and the Euro Notes impose certain limitations on the operations of the Company and certain of its subsidiaries. The Company was in compliance with these requirements as of March 31, 2001.

At March 31, 2001 and December 31, 2000, the Company was not party to any material derivative instruments.

(7) Restructuring and Other Charges

The Company's restructuring reserve, which arose primarily out of a restructuring undertaken by the Company during the third quarter of 1998, amounted to \$375 at March 31, 2001 and \$537 at December 31, 2000. Spending activity through March 31, 2001 and the remaining reserve balance at March 31, 2001 was as follows:

	Employee Termination Costs

Restructuring liability at December 31, 2000	\$ 537
Payments during 2001	(162)

Restructuring liability at March 31, 2001	\$ 375

The 2001 cash outlays include primarily severance and other personnel-related costs. All restructuring actions were substantially completed prior to March 31, 2001, and the remaining reserves of \$375 are related principally to outstanding employee severance costs that are expected to be paid during 2001.

(8) Business Segment Information

The Company operates in two reportable business segments: (i) Food Packaging and (ii) Protective and Specialty Packaging. The Food Packaging segment comprises primarily the Company's Cryovac(R) food packaging products. The Protective and Specialty Packaging segment includes the aggregation of the Company's protective packaging products, engineered products and specialty products, all of which are used principally for non-food packaging applications.

The Food Packaging segment includes flexible materials and related systems (shrink film and bag products, laminated films and packaging systems marketed primarily under the Cryovac(R) trademark for packaging a broad range of perishable foods). This segment also includes rigid packaging and absorbent pads (foam and solid plastic trays and containers for the packaging of a wide variety of food products and absorbent pads used for the packaging of meat, fish and poultry).

The Protective and Specialty Packaging segment includes cushioning and surface protection products (including air cellular cushioning materials, films for non-food applications, polyurethane foam packaging systems sold under the Instapak(R) trademark, polyethylene foam sheets and planks, a comprehensive line of protective and durable mailers and bags, certain paper-based protective packaging materials, suspension and retention packaging, inflatable packaging and packaging systems) and other products.

	Three months ended March 31,	
	2001	2000(1)
Net Sales		
Food Packaging	\$ 452,812	\$ 439,784
Protective and Specialty Packaging	305,460	301,680
Total segments	\$ 758,272	\$ 741,464
Operating profit		
Food Packaging	\$ 58,902	\$ 69,385
Protective and Specialty Packaging	54,213	63,082
Total segments	113,115	132,467
Corporate operating expenses (including goodwill amortization of \$14,260 and \$12,310 in 2001 and 2000, respectively)	(19,292)	(16,546)
Total	\$ 93,823	\$ 115,921
Depreciation and amortization		
Food Packaging	\$ 27,943	\$ 27,617
Protective and Specialty Packaging	14,741	14,941
Total segments	42,684	42,558
Corporate (including goodwill and other amortization)	14,483	12,533
Total	\$ 57,167	\$ 55,091

(1) Certain prior period amounts have been reclassified to conform to the current year's presentation.

(9) Commitments and Contingencies

The Company has been served with a number of lawsuits alleging that the Company is responsible for alleged asbestos liabilities of New Grace and its subsidiaries as a result of the 1998 Cryovac Transaction. The Transaction Agreements provided that should any claimant seek to hold the Company, including any of its subsidiaries, responsible for liabilities of New Grace or its subsidiaries, including such asbestos-related liabilities, New Grace and its subsidiaries would indemnify and defend the Company. For a description of the Cryovac Transaction and certain related lawsuits and defined terms, see Notes 4 and 17 to the Consolidated Financial Statements of the Company and its subsidiaries, which are incorporated by reference into the Company's Annual Report on Form 10-K for the year ended December 31, 2000.

On April 2, 2001, New Grace and certain of its subsidiaries filed for reorganization under Chapter 11 of the U.S. Bankruptcy Code in the U.S. Bankruptcy Court in the District of Delaware. In connection with that filing, New Grace filed an application with the Bankruptcy Court seeking to stay all actions related to New Grace's asbestos liabilities and fraudulent transfer claims in which the Company has been named. The court issued an order dated May 3, 2001 staying all such filed or pending actions against the Company. If additional lawsuits are served on the Company after the date of the order, New Grace has stated that it will seek to stay such actions. The Company believes that New Grace's filing for reorganization may provide a single forum in which all litigation related to New Grace's asbestos liabilities as well as fraudulent transfer claims might be resolved.

The Company believes that it has strong defenses against these claims and intends to defend its interests vigorously. The New Grace bankruptcy proceeding is in the very early stages and could take a few years to complete. In connection with New Grace's bankruptcy proceeding, the Company could incur additional costs in the resolution of claims against the Company that could become material to its consolidated results of operations and financial position.

At March 31, 2001, the Company recorded a charge, unrelated to the asbestos claims described above, in other expense and recorded other current liabilities amounting to approximately \$8,888, which is primarily as a result of the Company's guarantee, entered into at the time of the Cryovac Transaction, of certain debt payable by a subsidiary of New Grace, which subsidiary filed for reorganization along with New Grace as described above. As a result of the bankruptcy filing, the Company has provided in full for its guarantee of such indebtedness as well as certain other items included in such amount.

(10) New Accounting Pronouncement

Effective January 1, 2001, the Company adopted Statement of Financial Accounting Standards (SFAS) No. 133, "Accounting for Derivative Instruments and Hedging Activities," as amended by SFAS No. 137 and SFAS No. 138. This statement requires the recognition of derivative financial instruments on the balance sheet as assets or liabilities, at fair value. Gains or losses resulting from changes in the value of derivatives are accounted for depending on the intended use of the derivative and whether it qualifies for hedge accounting. The implementation of this standard did not have a material effect on the Company's consolidated financial statements.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION

RESULTS OF OPERATIONS FOR THE FIRST QUARTER OF 2001

Net sales increased 2% to \$758,272,000, compared with net sales of \$741,464,000 for the first quarter of 2000, primarily due to the added net sales of several acquired businesses and, to a lesser extent, higher average selling prices for certain of the Company's products, partially offset by the negative effect of foreign currency translation.

The Company's net sales were affected by the continued weakness of foreign currencies compared with the U.S. dollar, particularly in Europe and the Asia Pacific region, the disruption of meat supply and reduced beef consumption, as well as the further softening of economic conditions in many countries. Excluding the negative effect of foreign currency translation, net sales would have increased 6% compared with the first quarter of 2000. The continuing disruption of meat supply and the sluggish economy could adversely affect the Company's results beyond the first quarter.

Net sales from domestic operations increased approximately 2% compared with the first quarter of 2000, primarily due to the added net sales of several acquired businesses and, to a lesser extent, higher average selling prices for certain of the Company's products, partially offset by a decrease in unit volume in certain of the Company's products. Net sales from foreign operations, which represented approximately 46% of the Company's total net sales in the first quarters of 2001 and 2000, increased approximately 2% compared with the first quarter of 2000, primarily due to the added net sales of several acquired businesses and, to a lesser extent, higher average selling prices for certain of the Company's products and increased unit volume which was partially offset by the negative effect of foreign currency translation.

Net sales of the Company's food packaging segment, which consists primarily of the Company's Cryovac(R) food packaging products and Dri-Loc(R) absorbent pads, increased approximately 3% compared with the first quarter of 2000. This increase was due primarily to the added net sales of several acquired businesses and, to a lesser extent, higher average selling prices for certain of the Company's products, partially offset by the negative effect of foreign currency translation. Unit volume was essentially flat compared to the first quarter of 2000 for the food packaging segment partially due to the disruption of meat supply and reduced beef consumption caused by the outbreak of foot-and-mouth disease and concerns over bovine spongiform encephalopathy (BSE or "mad-cow" disease), principally in Europe. Excluding the negative effect of foreign currency translation, net sales of this segment would have increased 7% compared with the first quarter of 2000.

Net sales of the Company's protective and specialty packaging segment, which consists primarily of the Company's Instapak(R) chemicals and equipment, Cryovac(R) performance shrink films, Bubble Wrap(R) air cellular cushioning and polyethylene foam surface protection materials, Jiffy(R) protective mailers and durable mailers and bags, increased 1% compared

with the first quarter of 2000 primarily due to the added net sales of several acquired businesses and, to a lesser extent, higher average selling prices for certain of the Company's products. Excluding acquisitions, unit volume was essentially flat compared to the first quarter of 2000 for the protective and specialty packaging segment. Excluding the negative effect of foreign currency translation, net sales of this segment would have increased 4% compared to the first quarter of 2000.

Gross profit was \$240,245,000 or 31.7% of net sales compared to \$257,989,000 or 34.8% of net sales for the first quarter of 2000. These decreases were due primarily to the lower net sales of certain food packaging products in Europe, changes in product mix, and continuing higher raw material and other energy related costs compared to the first quarter of 2000.

Marketing, administrative and development expenses and goodwill amortization were \$146,422,000 compared to \$142,068,000 for the first quarter of 2000. As a percentage of net sales, these expenses remained relatively constant at 19.3% compared to 19.2% for the first quarter of 2000.

Other expense, net consists primarily of interest expense and charges, unrelated to the asbestos claims described below, amounting to approximately \$8,888,000, which is primarily as a result of the Company's guarantee, entered into at the time of the Cryovac Transaction, of certain debt payable by a subsidiary of W. R. Grace & Co. ("New Grace"), which subsidiary filed for reorganization along with New Grace under Chapter 11 of the U.S. Bankruptcy Code on April 2, 2001. As a result of that filing, the Company has provided in full for its guarantee of such indebtedness as well as certain other items included in such amount. Interest expense increased primarily due to the higher level of debt outstanding in the first quarter of 2001 compared to the comparable 2000 period.

The Company's effective income tax rate was 45.7% compared with 45.5% for the first quarter of 2000. These rates are higher than the Company's applicable statutory U.S. Federal income tax rate primarily due to state income taxes and non-deductible goodwill amortization. The Company expects that its effective tax rate will remain higher than statutory rates for 2001.

As a result of the above, net earnings decreased to \$34,560,000 compared to \$54,983,000 for the 2000 period.

Basic and diluted earnings per common share were \$0.30 and \$0.25, respectively, compared with basic and diluted earnings per common share of \$0.49 and \$0.45, respectively, for the first quarter of 2000. The basic earnings per common share calculations for the quarters ended March 31, 2001 and 2000 include a \$0.05 and \$0.03 per share gain, respectively, attributable to the repurchase of preferred stock for an amount below its \$50 per share book value. Such gains are not included in the calculations of diluted earnings per common share for the quarters ended March 31, 2001 and 2000. The diluted earnings per common share for the quarters ended March 31, 2001 and 2000 are calculated assuming the conversion of the shares of preferred stock repurchased during each period in accordance with the Financial Accounting Standards Board's Emerging Issues Task Force Topic D-53 guidance. The

conversion of the Company's outstanding convertible preferred stock is not considered in the calculations of diluted earnings per common share in the first quarter of 2001 and 2000 because the effect would be antidilutive.

LIQUIDITY AND CAPITAL RESOURCES

The Company's principal sources of liquidity are cash flows from operations and amounts available under the Company's existing lines of credit, including primarily the Company's principal revolving credit agreements mentioned below.

Net cash provided by operating activities increased to \$137,491,000 from \$108,386,000 in the first quarter of 2000. The increase in operating cash flows in the first quarter of 2001 was primarily due to changes in operating assets and liabilities in the ordinary course of business which more than offset the decrease in net earnings.

Net cash used in investing activities amounted to \$38,674,000 compared to \$51,113,000 in the first quarter of 2000. The decrease in the 2001 period was primarily due to the absence of acquisitions in the 2001 period, which more than offset an increase in capital expenditures compared to the first quarter of 2000. Capital expenditures were \$39,885,000 for the first quarter of 2001 and \$23,867,000 for the 2000 period. The Company currently anticipates that capital expenditures for the full year of 2001 will be in the range of \$150,000,000.

Net cash used in financing activities amounted to \$14,953,000 compared to \$54,313,000 in the first quarter of 2000. The decrease in the 2001 period was due to a decrease in repurchases of shares of the Company's outstanding stock in the 2001 period, partially offset by a reduction of net debt proceeds to \$7,099,000 in the first quarter of 2001 compared to \$34,848,000 in the 2000 period.

During the first quarter of 2001, the Company repurchased 238,900 shares of its preferred stock at a cost of approximately \$7,909,000 pursuant to a share repurchase program adopted by the Company's Board of Directors. During the first quarter of 2000, the Company repurchased 1,204,749 shares of its preferred stock and 293,918 shares of its common stock at a cost of approximately \$57,458,000 and \$14,145,000, respectively, pursuant to this program. As of March 31, 2001, the total number of shares authorized to be repurchased under this program amounted to approximately 16,977,000 shares of common stock on an as-converted basis, of which approximately 8,676,000 had been repurchased, leaving approximately 8,301,000 shares of common stock on an as-converted basis available for repurchase under this program.

At March 31, 2001, the Company had working capital of \$305,223,000, or 7% of total assets, compared to working capital of \$202,512,000, or 5% of total assets, at December 31, 2000. Total current assets increased primarily due to an increase in cash and cash equivalents, partially offset by a decrease in notes and accounts receivable. Total current liabilities decreased primarily due to a decrease in short-term borrowings and

other current liabilities (which primarily related to accrued payroll) due to the timing of cash payments, partially offset by an increase in income taxes payable.

The Company's ratio of current assets to current liabilities (current ratio) was 1.5 at March 31, 2001 and 1.3 at December 31, 2000. The Company's ratio of current assets less inventory to current liabilities (quick ratio) was 1.0 at March 31, 2001 and 0.8 at December 31, 2000. The change in the current ratio in 2001 resulted primarily from the changes in working capital discussed above.

At both March 31, 2001 and December 31, 2000, the Company's outstanding debt consisted primarily of borrowings made under the revolving credit agreements, its 6.95% Senior Notes due May 2009, its 5.625% Euro Notes due July 2006, and certain other loans incurred by the Company's subsidiaries.

At December 31, 2000, the Company's two principal credit agreements were a 5-year \$525,000,000 revolving credit facility that expires on March 30, 2003 (included in long-term debt) and a 364-day \$375,000,000 revolving credit facility that expired on March 26, 2001 (included in short-term borrowings). On March 23, 2001, the Company replaced this 364-day revolving credit facility with a new \$194,375,000 364-day revolving credit facility on substantially similar terms, except for higher borrowing margins and facility fees, to the expired facility. The Company believes that the lower facility amount under this new 364-day facility together with its other resources will be satisfactory for its currently anticipated financing needs. As of March 31, 2001 and December 31, 2000, outstanding borrowings were \$520,656,000 and \$456,263,000, respectively, under the 5-year revolving credit facility. Outstanding borrowings under the expired 364-day revolving credit facility were \$127,885,000 at December 31, 2000. No borrowings were outstanding under this facility at the time of its expiration. At March 31, 2001, there were no outstanding borrowings under the new 364-day revolving credit facility.

Such revolving credit agreements provide that the Company and certain of its subsidiaries may borrow for various purposes, including the refinancing of existing debt, the provision of working capital and other general corporate needs, including acquisitions, repurchase of the Company's outstanding common and preferred stock and capital expenditures. Amounts repaid under such credit agreements may be reborrowed from time to time. As of March 31, 2001, facility fees were payable on the total amounts available under such credit agreements at the rates of 0.095% and 0.300% per annum under the 5-year revolving credit facility and the new 364-day revolving credit facility, respectively.

The Company's obligations under the revolving credit agreements referred to in the preceding paragraph bear interest at floating rates. The weighted average interest rate under such credit agreements was approximately 6.0% at March 31, 2001 and approximately 7.0% at December 31, 2000.

These revolving credit agreements provide for changes in borrowing margins based on the Company's senior unsecured debt ratings and, in addition with respect to the 5-year revolving credit facility, certain financial criteria. These revolving credit agreements, the Senior Notes and the Euro Notes impose certain limitations on the operations of the

Company and certain of its subsidiaries. The Company was in compliance with these requirements as of March 31, 2001.

At March 31, 2001 and December 31, 2000, the Company was not party to any material derivative instruments.

At March 31, 2001, the Company had available committed and uncommitted lines of credit, including those available under the revolving credit agreements as discussed above, of approximately \$1,059,000,000 of which approximately \$317,000,000 were unused.

The Company's shareholders' equity was \$769,477,000 at March 31, 2001 compared to \$753,129,000 at December 31, 2000. Shareholders' equity increased in the first quarter of 2001 primarily due to net earnings of \$34,560,000 partially offset by preferred stock dividends of \$13,754,000 and by additional foreign currency translation adjustments of \$11,672,000.

With the current economic environment, which the Company currently expects may last longer than originally anticipated, the Company is reviewing its business processes and organizational structure to identify performance improvement opportunities and costs associated with implementation of this process. The Company expects that any program that emerges from this review would identify and carry out opportunities to further control selling, general and administrative expenses, to manage capital expenditures appropriate for the Company's current business environment, and to maximize cash flow.

OTHER MATTERS

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

For a discussion of market risks at December 31, 2000, refer to "Management's Discussion and Analysis of Results of Operations and Financial Condition - Quantitative and Qualitative Disclosures about Market Risk" in the Company's Annual Report to Stockholders for the year ended December 31, 2000.

The Company is exposed to market risk from changes in interest rates and foreign currency exchange rates, which may adversely affect its results of operations and financial condition. The Company seeks to minimize these risks through regular operating and financing activities and, when deemed appropriate, through the use of derivative financial instruments. The Company does not purchase, hold or sell derivative financial instruments for trading purposes.

INTEREST RATES

The Company uses interest rate swaps to manage its exposure to fluctuations in interest rates. The Company also uses interest rate collars to reduce the Company's exposure to fluctuations in the rate of interest by limiting interest rates to a given range. At March 31, 2001 and December 31, 2000, the Company had an immaterial interest rate collar

agreement related to a foreign subsidiary's floating rate indebtedness which matures in June 2001.

At March 31, 2001, the carrying value of the Company's total debt was \$1,225,234,000 of which \$482,917,000 was fixed rate debt. At December 31, 2000, the carrying value of the Company's total debt was \$1,236,299,000, of which \$489,607,000 was fixed rate debt.

FOREIGN EXCHANGE CONTRACTS

The Company uses interest rate and currency swaps to limit foreign exchange exposure and to limit or adjust interest rate exposure by swapping certain borrowings in U.S. dollars for borrowings denominated in foreign currencies. The Company had no interest rate and currency swap agreements outstanding at March 31, 2001 or December 31, 2000.

The Company uses foreign currency forwards to fix the amount payable on certain transactions denominated in foreign currencies. The terms of such instruments are generally twelve months or less. At March 31, 2001 and December 31, 2000, the Company's outstanding foreign currency forward contracts were not material to the Company's consolidated financial position or results of operations.

CONTINGENCIES RELATED TO THE CRYOVAC TRANSACTION

The Company has been served with a number of lawsuits alleging that the Company is responsible for alleged asbestos liabilities of New Grace and its subsidiaries as a result of the 1998 Cryovac Transaction. The Transaction Agreements provided that should any claimant seek to hold the Company, including any of its subsidiaries, responsible for liabilities of New Grace or its subsidiaries, including such asbestos-related liabilities, New Grace and its subsidiaries would indemnify and defend the Company. For a description of the Cryovac Transaction and certain related lawsuits and defined terms, see Management's Discussion and Analysis of Results of Operations and Financial Condition, incorporated into the Company's Annual Report on Form 10-K for the year ended December 31, 2000.

On April 2, 2001, New Grace and certain of its subsidiaries filed for reorganization under Chapter 11 of the U.S. Bankruptcy Code in the U.S. Bankruptcy Court in the District of Delaware. In connection with that filing, New Grace filed an application with the Bankruptcy Court seeking to stay all actions related to New Grace's asbestos liabilities and fraudulent transfer claims in which the Company has been named. The court issued an order dated May 3, 2001 staying all such filed or pending actions against the Company. If additional lawsuits are served on the Company after the date of the order, New Grace has stated that it will seek to stay such actions. The Company believes that New Grace's filing for reorganization may provide a single forum in which all litigation related to New Grace's asbestos liabilities as well as fraudulent transfer claims might be resolved.

The Company believes that it has strong defenses against these claims and intends to defend its interests vigorously. The New Grace bankruptcy proceeding is in the very early

stages and could take a few years to complete. In connection with New Grace's bankruptcy proceeding, the Company could incur additional costs in the resolution of claims against the Company that could become material to its consolidated results of operations and financial position.

ENVIRONMENTAL MATTERS

The Company is subject to loss contingencies resulting from environmental laws and regulations, and it accrues for anticipated costs associated with investigatory and remediation efforts when an assessment has indicated that a loss is probable and can be reasonably estimated. These accruals do not take into account any discounting for the time value of money and are not reduced by potential insurance recoveries, if any. Environmental liabilities are reassessed whenever circumstances become better defined and/or remediation efforts and their costs can be better estimated. These liabilities are evaluated periodically based on available information, including the progress of remedial investigations at each site, the current status of discussions with regulatory authorities regarding the methods and extent of remediation and the apportionment of costs among potentially responsible parties. As some of these issues are decided (the outcomes of which are subject to uncertainties) and/or new sites are assessed and costs can be reasonably estimated, the Company adjusts the recorded accruals, as necessary. The Company believes that it has adequately reserved for all probable and estimable environmental exposures.

EURO CONVERSION

On January 1, 1999, eleven of the fifteen members of the European Union (the "participating countries") established fixed conversion rates between their existing currencies (the "legacy currencies") and introduced the euro, a single common non-cash currency. On January 1, 2001, the number of participating countries increased to twelve with the addition of Greece.

At the beginning of 2002, new euro-denominated bills and coins will be issued to replace the legacy currencies, and the legacy currencies will be withdrawn from circulation. By 2002, all companies operating in the participating countries are required to restate their statutory accounting data into euros as their base currency.

In 1998, the Company established plans to address the systems and business issues raised by the euro currency conversion. These issues include, among others, (a) the need to adapt computer, accounting and other business systems and equipment to accommodate euro-denominated transactions, (b) the need to modify banking and cash management systems in order to be able to handle payments between customers and suppliers in legacy currencies and euros between 1999 and 2002, (c) the requirement to change the base statutory and reporting currency of each subsidiary in the participating countries into euros during the

transition period, (d) the foreign currency exposure changes resulting from the alignment of the legacy currencies into the euro, and (e) the identification of material contracts and sales agreements whose contractual stated currency will need to be converted into euros.

The Company believes that it will be euro compliant by January 1, 2002. The Company has implemented plans to accommodate euro-denominated transactions and to handle euro payments with third party customers and suppliers in the participating countries. The Company plans to meet the requirement to convert statutory and reporting currencies to the euro in part by acquiring and installing new financial software systems and in part by modifying existing systems. If there are delays in such installation, the Company plans to pursue alternate means to convert statutory and reporting currencies to the euro by 2002. The Company expects that its foreign currency exposures will be reduced as a result of the alignment of legacy currencies, and the Company believes that all material contracts and sales agreements requiring conversion will be converted to euros prior to January 1, 2002.

Although additional costs are expected to result from the implementation of the Company's plans, the Company also expects to achieve benefits in its treasury and procurement areas as a result of the elimination of the legacy currencies. Since the Company has operations in each of its business segments in the participating countries, each of its business segments will be affected by the conversion process. However, the Company expects that the total impact of all strategic and operational issues related to the euro conversion and the cost of implementing its plans for the euro conversion will not have a material adverse impact on its consolidated financial condition, results of operations or reportable segments.

FORWARD-LOOKING STATEMENTS

Certain statements made by the Company in this report and in future oral and written statements by management of the Company may be forward-looking. These statements include comments as to the Company's beliefs and expectations as to future events and trends affecting the Company's business, its results of operations and its financial condition. These forward-looking statements are based upon management's current expectations concerning future events and discuss, among other things, anticipated future performance and future business plans. Forward-looking statements are identified by such words and phrases as "expects," "intends," "believes," "will continue," "plans to," "could be," "estimates" and similar expressions. Forward-looking statements are necessarily subject to risks and uncertainties, many of which are outside the control of the Company, that could cause actual results to differ materially from such statements.

The Company recognizes that it is subject to a number of risks and uncertainties, such as economic, business and market conditions in the geographic areas in which it conducts business, changes in the value of the euro and other foreign currencies against the U.S. dollar, the success of certain information systems projects, factors affecting the

customers, industries and markets that use the Company's packaging materials and systems, the development and success of new products, the Company's success in entering new markets, and acquiring and integrating new businesses, timing of capital expenditures, competitive factors, raw material availability and pricing, changes in energy-related expenses, changes in the Company's relationships with customers and suppliers, legal proceedings and claims (including environmental and asbestos matters) involving the Company, the effect of the bankruptcy filing by New Grace and its subsidiaries on the Company, the effects of foot-and-mouth and mad-cow disease on the Company's customers, changes in domestic or foreign laws or regulations, or difficulties related to the euro conversion, which may affect future performance of the Company.

PART II

OTHER INFORMATION

Item 1. Legal Proceedings.

The Company has been served with a number of lawsuits alleging that the Company is responsible for alleged asbestos liabilities of New Grace and its subsidiaries as a result of the 1998 Cryovac Transaction. The Transaction Agreements provided that should any claimant seek to hold the Company, including any of its subsidiaries, responsible for liabilities of New Grace or its subsidiaries, including such asbestos-related liabilities, New Grace and its subsidiaries would indemnify and defend the Company. For a description of the Cryovac Transaction and certain related lawsuits and defined terms, see Item 3 of the Company's Annual Report on Form 10-K for the year ended December 31, 2000 (the "Form 10-K").

On April 2, 2001, New Grace and certain of its subsidiaries filed for reorganization under Chapter 11 of the U.S. Bankruptcy Code in the U.S. Bankruptcy Court in the District of Delaware. In connection with that filing, New Grace filed an application with the Bankruptcy Court seeking to stay all actions related to New Grace's asbestos liabilities and fraudulent transfer claims in which the Company has been named. The court issued an order dated May 3, 2001 staying all such filed or pending actions against the Company. The stay should cover all such pending lawsuits to which the Company is a party, including lawsuits filed since the March 21, 2001 date referred to in Item 3 of the Form 10-K. If additional lawsuits are served on the Company after the date of the order, New Grace has stated that it will seek to stay such actions. The Company believes that New Grace's filing for reorganization may provide a single forum in which all litigation related to New Grace's asbestos liabilities as well as fraudulent transfer claims might be resolved.

The Company believes that it has strong defenses against these claims and intends to defend its interests vigorously. The New Grace bankruptcy proceeding is in the very early stages and could take a few years to complete. In connection with New Grace's bankruptcy proceeding, the Company could incur additional costs in the resolution of claims against the Company that could become material to its consolidated results of operations and financial position.

Item 6. Exhibits and Reports on Form 8-K.

(a) Exhibits

Exhibit Number	Description
10.1	Global Revolving Credit Agreement (364-Day), dated as of March 23, 2001, among the Company, certain of the Company's subsidiaries as borrowers and guarantors thereunder, Bank of America, N.A., as Administrative Agent, Banc of America Securities LLC, as Lead Arranger and Book Manager, and certain other banks party thereto.

(b) Reports on Form 8-K.

The Company did not file any reports on Form 8-K during the fiscal quarter ended March 31, 2001.

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.

SEALED AIR CORPORATION
(Registrant)

Date: May 11, 2001

By /s/ JEFFREY S. WARREN

Jeffrey S. Warren
Controller
(Authorized Executive Officer
and Chief Accounting Officer)

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GLOBAL REVOLVING CREDIT AGREEMENT (364-DAY)

AMONG

SEALED AIR CORPORATION,
CERTAIN OF ITS SUBSIDIARIES,
INCLUDING
SEALED AIR CORPORATION (US)

AND

CRYOVAC, INC.,
BANK OF AMERICA, N.A.,
as Administrative Agent,
BANC OF AMERICA SECURITIES LLC,
as Lead Arranger and Book Manager

AND

THE BANKS PARTY HERETO

Dated as of March 23, 2001

=====

FLEET NATIONAL BANK,
as Syndication Agent

AND

CITIBANK, N.A.,
CREDIT LYONNAIS NEW YORK BRANCH,
AND
DEUTSCHE BANK AG,
as Documentation Agent,

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GLOBAL REVOLVING CREDIT AGREEMENT (364-DAY), dated as of March 23, 2001, among SEALED AIR CORPORATION, a Delaware corporation (the "COMPANY"), SEALED AIR CORPORATION (US), a Delaware corporation, and CRYOVAC, INC., a Delaware corporation ("CRYOVAC"), the other Subsidiaries listed on the signature pages hereto as the initial Subsidiary Borrowers (together with the Company and any additional Subsidiary Borrowers, the "BORROWERS," and each, a "BORROWER"), the Company and certain Domestic Subsidiaries, as guarantors, the Banks party hereto from time to time, BANK OF AMERICA, N.A., as Administrative Agent, and BANC OF AMERICA SECURITIES LLC, as Lead Arranger and Book Manager. All capitalized terms used herein shall have the meanings provided in Section 10.

WITNESSETH:

WHEREAS, subject to and upon the terms and conditions set forth herein, the Banks are willing to make available to the Borrowers the credit facilities provided for herein;

NOW, THEREFORE, IT IS AGREED:

SECTION 1. AMOUNT AND TERMS OF CREDIT.

SECTION 1.01. THE COMMITMENTS. (a) Subject to and upon the terms and conditions set forth herein, each Bank severally agrees to make, at any time and from time to time on or after the Effective Date and prior to the Final Maturity Date, a loan or loans (each, a "REVOLVING LOAN" and, collectively, the "REVOLVING LOANS") to one or more Borrowers, which Revolving Loans:

(i) shall, at the option of the requesting Borrower, be either Base Rate Loans or Eurocurrency Loans, PROVIDED that all Revolving Loans made as part of the same Borrowing shall, unless otherwise specifically provided herein, be of the same Type;

(ii) may be in Dollars or Eurocurrencies, at the option of the requesting Borrower;

(iii) may be repaid and reborrowed in accordance with the provisions hereof;

(iv) of any Bank at any time outstanding shall not have an aggregate Original Dollar Amount which, when added to the product of (x) such Bank's Percentage and (y) the sum of (I) the Original Dollar Amount of all Swingline Loans (exclusive of Swingline Loans which are repaid with the proceeds of, and simultaneously with the respective incurrence of, the Revolving Loans then being incurred) then outstanding and (II) the aggregate amount of all Letter of Credit Outstandings (exclusive of Unpaid Drawings which are repaid with the proceeds of, and simultaneously with the incurrence of, the Revolving Loans then being incurred) at such time exceeds the Revolving Loan Commitment of such Bank (after giving effect to any simultaneous reinstatement in the

Revolving Loan Commitment of such Bank on such date pursuant to Section 1.01(d)(i)) at such time); and

(v) for all Banks at any time outstanding shall not have an aggregate Original Dollar Amount which, when added to the sum of (I) the aggregate amount of all Letter of Credit Outstandings (exclusive of Unpaid Drawings which are repaid with the proceeds of, and simultaneously with the incurrence of, the Revolving Loans then being incurred) at such time, (II) the Original Dollar Amount of all Swingline Loans (exclusive of Swingline Loans which are repaid with the proceeds of, and simultaneously with the respective incurrence of, the Revolving Loans then being incurred) then outstanding and (III) the aggregate principal amount of all Bid Loans (exclusive of Bid Loans which are repaid with the proceeds of, and simultaneously with the respective incurrence of, the Revolving Loans then being incurred) then outstanding, exceeds the Total Revolving Loan Commitment (after giving effect to any simultaneous increase in the Total Revolving Loan Commitment on such date pursuant to Section 1.01(d)(i)) at such time.

(b) Subject to and upon the terms and conditions set forth herein, Bank of America in its individual capacity and the CAD Swingline Lender in its individual capacity each agrees (severally, not jointly) to make, at any time and from time to time on or after the Effective Date and prior to the Swingline Expiry Date, a Swingline Loan or Swingline Loans, which Swingline Loans (i) if made by Bank of America, shall be made to the Company and maintained in Dollars as Base Rate Loans or at a fixed rate (for a period not to exceed 30 days) as quoted by Bank of America and acceptable to the Company (each a "USD OFFERED RATE LOAN") and, if made by the CAD Swingline Lender, shall be made to Sealed Air (Canada) and (subject to Section 1.01(c)) maintained in Canadian Dollars as Base Rate Loans or at a fixed rate (for a period not to exceed 30 days) as quoted by the CAD Swingline Lender and acceptable to the Company (each a "CAD OFFERED RATE LOAN"), (ii) may be repaid and reborrowed in accordance with the provisions hereof, (iii) shall not exceed an Original Dollar Amount which, when added to the sum of (I) the Original Dollar Amount of all Revolving Loans (exclusive of Revolving Loans which are repaid with the proceeds of, and simultaneously with the respective incurrence of, the Swingline Loans then being incurred) then outstanding, (II) the aggregate principal amount of all Bid Loans outstanding at such time (exclusive of Bid Loans which are repaid with the proceeds of, and simultaneously with the respective incurrence of, the Swingline Loans then being incurred), (III) the Original Dollar Amount of all Swingline Loans then outstanding (exclusive of Swingline Loans which are repaid with the proceeds of, and simultaneously with the respective incurrence of, the Swingline Loans then being incurred) and (IV) the aggregate amount of all Letter of Credit Outstandings at such time (exclusive of Unpaid Drawings which are repaid with the proceeds of, and simultaneously with the incurrence of, the Swingline Loan then being incurred), equals the Total Revolving Loan Commitment (after giving effect to any simultaneous reinstatement in the Total Revolving Loan Commitment on such date pursuant to Section 1.01(d)(i)) at such time and (iv) in the case of Bank of America, shall not exceed the Maximum Swingline Amount and, in the case of the CAD Swingline Lender, shall not exceed an Original Dollar Amount of \$50,000,000. No Swingline Lender will make a Swingline Loan after it has received written notice from the Required Banks stating that a Default exists and specifically requesting that it not make any Swingline Loans, PROVIDED that the Swingline Lenders may continue making Swingline Loans at such time thereafter as the Default in question

has been cured or waived in accordance with the requirements of this Agreement or the Required Banks have withdrawn the written notice described above in this sentence. In addition, no Swingline Lender shall be obligated to make any Swingline Loan at a time when a Bank Default exists unless such Swingline Lender shall have entered into arrangements satisfactory to it and the Company to eliminate such Swingline Lender's risk with respect to the Bank which is the subject of such Bank Default, including by cash collateralizing such Bank's Percentage of the outstanding Swingline Loans.

(c) On any Business Day, either Swingline Lender may, in its sole discretion, give written notice to the Banks that its outstanding Swingline Loans (the outstanding principal amount of which (after conversion to Dollars, in the case of the CAD Swingline Lender, as contemplated below) shall be specified in such notice) shall be funded with a Borrowing of Revolving Loans (PROVIDED that in the case of Swingline Loans made by Bank of America such notice shall be deemed to have been automatically given upon the occurrence of a Default under Section 9.05 or upon the exercise of any of the remedies provided in the last paragraph of Section 9), in which case a Borrowing of Revolving Loans constituting Base Rate Loans (each such Borrowing, a "MANDATORY BORROWING") shall be made, in the case of Swingline Loans made by Bank of America, on the immediately succeeding Business Day and, in the case of Swingline Loans made by the CAD Swingline Lender, on the second succeeding Business Day, in each case by all Banks (without giving effect to any reductions of the Commitments pursuant to the last paragraph of Section 9) PRO RATA based on each such Bank's Percentage (subject to the availability of Revolving Loans as provided in Section 1.01(a)(iv)), and the proceeds thereof shall be applied directly to the applicable Swingline Lender to repay such Swingline Lender for such outstanding Swingline Loans. The CAD Swingline Lender shall, immediately prior to giving a notice of a Mandatory Borrowing as provided in the immediately preceding sentence, convert its outstanding Swingline Loans from Canadian Dollars to Dollars effective as of the date of the Mandatory Borrowing using the U.S. Dollar Equivalent. From and after the date of the Mandatory Borrowing all Swingline Loans made by the CAD Swingline Lender for which a notice of Mandatory Borrowing has been delivered shall be denominated in Dollars and shall be Base Rate Loans. Each Bank hereby irrevocably agrees to make Revolving Loans upon the notice provided in this Section 1.01(c) pursuant to each Mandatory Borrowing in the amount and in the manner specified in the first sentence of this Section 1.01(c) and on the date specified in writing by a Swingline Lender notwithstanding (i) the amount of the Mandatory Borrowing may not comply with the minimum amount for Borrowings otherwise required hereunder, (ii) any condition specified in Section 5 may not then be satisfied, (iii) the existence of any Default, (iv) the date of such Mandatory Borrowing and (v) the amount of the Total Revolving Loan Commitment at such time. In the event that any Mandatory Borrowing cannot for any reason be made on the date otherwise required above (including, without limitation, as a result of the commencement of a proceeding under the Bankruptcy Code with respect to the Company), then each Bank hereby agrees that it shall forthwith purchase (as of the date the Mandatory Borrowing would otherwise have occurred and in the amount such Bank would have advanced under such Mandatory Borrowing, but adjusted for any payments received from the Company or Sealed Air (Canada), as applicable, on or after such date and prior to such purchase from such Swingline Lender (without recourse or warranty)) such participations in the outstanding Swingline Loans as shall be necessary to cause the Banks to share in such Swingline Loans ratably based upon their respective Percentages, PROVIDED that (x) all interest payable on the

Swingline Loans shall be for the account of the applicable Swingline Lender until the date the respective participation is required to be purchased and, to the extent attributable to the purchased participation, shall be payable to the participant from and after such date, (y) at the time any purchase of participations pursuant to this sentence is actually made, the purchasing Bank shall be required to pay the applicable Swingline Lender interest on the principal amount of participation purchased for each day from and including the day upon which the Mandatory Borrowing would otherwise have occurred to but excluding the date of payment for such participation, at the overnight Federal Funds Rate for the first three days and at the rate otherwise applicable to Revolving Loans maintained as Base Rate Loans for each day thereafter and (z) each Bank that so purchases a participation in a Swingline Loan shall thereafter be entitled to receive its PRO RATA share of each payment of principal received on such Swingline Loan; PROVIDED FURTHER that no Bank shall be obligated to acquire a participation in a Swingline Loan if a Default shall have occurred and be continuing at the time such Swingline Loan was made and the applicable Swingline Lender had received written notice from the Required Banks in accordance with Section 1.01(b) above prior to advancing such Swingline Loan.

(d) (i) The Company may from time to time request any Bank to agree, or to arrange for a Local Affiliate of such Bank to agree, to provide a Local Currency Commitment to any Subsidiary Borrower or to the Company (i) with respect to any currency which the Company has previously requested be designated an Eurocurrency and which request the Banks denied or (ii) if it is beneficial to the Company or such Subsidiary Borrower to avoid withholding tax to borrow Loans directly from a Bank (or a Local Affiliate of a Bank) in a foreign country, PROVIDED, that the sum of the aggregate amount of Local Currency Commitments in effect at any one time may not exceed \$100,000,000. If a Bank is willing, in its sole discretion, to provide such a Local Currency Commitment, or is willing, in its sole discretion, to arrange to have a Local Affiliate of such Bank provide such a Local Currency Commitment, then such Bank and such Subsidiary Borrower or the Company, as applicable, shall execute and deliver to the Administrative Agent a Local Currency Addendum, or, if such Bank has arranged to have such Local Affiliate provide such a Local Currency Commitment, such Local Affiliate, such Bank and such Subsidiary Borrower or the Company, as applicable, shall execute and deliver to the Administrative Agent a Local Currency Designation and Assignment Agreement. Such Local Currency Commitment shall be designated in Dollars. A Bank's Revolving Loan Commitment shall be automatically reduced to the extent that such Bank or any Local Affiliate of such Bank has from time to time in effect any Local Currency Commitment and such Bank's Revolving Loan Commitment shall be automatically reinstated to the extent that any such Local Currency Commitment expires or is terminated either in whole or in part, unless at the time of such expiration or termination the Revolving Loan Commitments of all Banks have terminated (in which case such Bank's Revolving Loan Commitment shall not be reinstated to any extent), by (i) 100% of such Local Currency Commitment, if there has been no reduction in the Total Revolving Loan Commitment from the date such Local Currency Commitment went into effect or (ii) such lesser percentage of such Local Currency Commitment that equals the quotient (expressed as a percentage) obtained by dividing the Total Revolving Loan Commitment as in effect on such day by the Total Revolving Loan Commitment as in effect on the day such Local Currency Commitment went into effect, if there has been a reduction in the Total Revolving Loan Commitment from the date such Local Currency Commitment went into effect. The Bank providing (whether directly or through its Local Affiliate) such Local Currency Commitment and the relevant Subsidiary

Borrower or the Company, as applicable, shall provide the Administrative Agent five Business Days prior notice of any change in the amount of any Bank's Local Currency Commitment. Promptly upon receipt of such Notice, the Administrative Agent shall calculate the amount of such Bank's Revolving Loan Commitment after giving effect to such change. Upon its receipt of such notice, the Administrative Agent will notify the Company and the Banks of such change.

The Company may on five Business Days' written notice to the Administrative Agent terminate in whole or in part any Local Currency Commitment from time to time provided that after giving effect to such termination, the Original Dollar Amount of all Local Currency Loans outstanding under such Local Currency Commitment shall not exceed such Local Currency Commitment as so reduced.

(ii) Subject to and upon the terms and conditions set forth herein and in or pursuant to the applicable Local Currency Documentation, each Bank with a Local Currency Commitment and each Local Affiliate with a Local Currency Commitment severally agrees to make, at any time and from time to time on or after the Effective Date and prior to the Final Maturity Date (or such shorter period as may be specified in or pursuant to the applicable Local Currency Documentation), a loan or loans (each, a "LOCAL CURRENCY LOAN" and, collectively, the "LOCAL CURRENCY LOANS") to one or more Subsidiary Borrowers or the Company, as applicable, specified in the applicable Local Currency Documentation, which Local Currency Loans (A) shall not have an Original Dollar Amount exceeding the Local Currency Commitment specified in the applicable Local Currency Documentation, (B) may be repaid and reborrowed in accordance with the provisions hereof and of the applicable Local Currency Documentation, and (C) shall not have an Original Dollar Amount exceeding for all Banks and all such Local Affiliates at any time outstanding the Total Local Currency Commitment at such time.

(iii) Each Local Currency Loan shall mature on such date, on or prior to the Final Maturity Date, as the applicable Borrower and Bank or such Bank's Local Affiliate shall agree prior to the making of such Local Currency Loan in or pursuant to the applicable Local Currency Documentation. Upon reaching agreement as to interest rate and maturity, unless any applicable condition specified in Section 5.02 hereof has not been satisfied, on the date agreed the applicable Bank or its Local Affiliate shall make the proceeds of such Local Currency Loan available to the relevant Borrower as provided in the applicable Local Currency Documentation. No Local Currency Documentation may waive, alter or modify any rights of the Administrative Agent or the other Banks under this Agreement, including, without limitation, the rights of the Banks under Section 9 hereof.

(iv) Each Local Currency Designation and Assignment Agreement shall provide that the Bank executing such Local Currency Designation and Assignment Agreement is empowered to act as the applicable Local Affiliate's agent, with full power and authority to act on behalf of such Local Affiliate with respect to the transactions contemplated by this Agreement. Accordingly, each other Bank, the Administrative Agent, each Borrower and each Subsidiary Guarantor shall be conclusively entitled to rely on any actions taken by such Bank and any notice given by the Administrative Agent

or any Borrower or Subsidiary Guarantor to such Bank shall be deemed to also have been delivered to such Local Affiliate. With regard to any matters relating to calculating a Bank's "Percentage" or the "Required Banks" or the unanimous vote of the Banks, any Local Currency Commitment and any outstanding Local Currency Loans provided by a Local Affiliate of a Bank shall be deemed to be Local Currency Commitments and Local Currency Loans, as applicable, of such Bank. Accordingly, a Local Affiliate shall not have the right to vote as a Bank hereunder but shall otherwise be entitled to the same rights and benefits hereunder as the Banks are entitled.

(e) More than one Borrowing may occur on the same date, but at no time shall there be outstanding more than twenty-five Borrowings of Eurocurrency Loans.

SECTION 1.02. MINIMUM AMOUNT OF EACH BORROWING. (a) The aggregate principal amount of each Borrowing of Revolving Loans shall not be less than an Original Dollar Amount of (i) with respect to Eurocurrency Loans, \$2,000,000 and, if greater, in integral multiples of 500,000 units of the relevant currency and (ii) with respect to Base Rate Loans, \$500,000 and, if greater, in integral multiples of \$50,000, PROVIDED THAT Mandatory Borrowings shall be made in the amounts required by Section 1.01(c).

(b) The aggregate principal amount of each Borrowing of Local Currency Loans shall not be less than an Original Dollar Amount of \$2,000,000 and, if greater, shall be in an integral multiple of 50,000 units of the relevant currency.

(c) The aggregate principal amount of each Borrowing of Swingline Loans shall not be less than an Original Dollar Amount of \$500,000 and, if greater, shall be in an integral multiple of 50,000 units of the relevant currency.

SECTION 1.03. NOTICE OF BORROWING. (a) Whenever any Borrower desires to make a Borrowing (other than of Local Currency Loans, Bid Loans, Swingline Loans or Revolving Loans incurred pursuant to a Mandatory Borrowing) hereunder the Company (but not any other Borrower) on behalf of itself or any other Borrower shall give the Administrative Agent at its Notice Office at least (x) four Business Days' prior written notice (or telephonic notice promptly confirmed in writing) of each Eurocurrency Loan denominated in a Eurocurrency to be made hereunder, (y) three Business Day's prior written notice (or telephonic notice promptly confirmed in writing) of each Eurocurrency Loan denominated in Dollars to be made hereunder and (z) same Business Day's written notice (or telephonic notice promptly confirmed in writing) of each Base Rate Loan to be made hereunder, PROVIDED that any such notice shall be deemed to have been given on a certain day only if given before 11:00 A.M. (New York time) (12:00 Noon (New York time) in the case of a Borrowing of Base Rate Loans) on such day. Each such written notice (or written confirmation of any telephonic notice) (each a "NOTICE OF BORROWING"), except as otherwise expressly provided in Section 1.11, shall be irrevocable and shall be given by the Company in the form of Exhibit A-1, appropriately completed to specify (i) the date of such Borrowing (which shall be a Business Day), (ii) the aggregate principal amount of the Loans to be made pursuant to such Borrowing, (iii) whether the Loans to be made pursuant to such Borrowing are to be initially maintained as Base Rate Loans or Eurocurrency Loans, (iv) the applicable Borrower, and (v) in the case of Eurocurrency Loans, the initial Interest

Period and currency to be applicable thereto. The Administrative Agent shall promptly give each Bank notice of such proposed Borrowing, of such Bank's proportionate share thereof and of the other matters required by the immediately preceding sentence to be specified in the Notice of Borrowing. Any notices and the borrowing mechanics relating to Local Currency Loans shall be set forth in the applicable Local Currency Documentation.

(b) Whenever the Company or Sealed Air (Canada) desires to incur a Swingline Loan hereunder, the Company shall give the applicable Swingline Lender (and, in instances where the Swingline Lender is the CAD Swingline Lender, the Administrative Agent as well) no later than 12:00 Noon (New York time) (i) in the case of Swingline Loans to be made by Bank of America, on the day such Swingline Loan is to be made and (ii) in the case of Swingline Loans to be made by the CAD Swingline Lender, on the date at least two (2) Business Days before the date such Swingline Loan is to be made, written notice or telephonic notice promptly confirmed in writing of such Swingline Loan to be made hereunder. Each such notice shall be irrevocable and specify in each case (I) the date of Borrowing (which shall be a Business Day), (II) the aggregate principal amount of the Swingline Loan to be made pursuant to such Borrowing and (III) whether such Swingline Loan shall be made and maintained as a Base Rate Loan or an Offered Rate Loan. If the Swingline Loan is being requested from the CAD Swingline Lender, the CAD Swingline Lender shall calculate the Original Dollar Amount of the requested Swingline Loan and promptly notify the Administrative Agent of such amount (in writing or by telephone with prompt written confirmation). The Administrative Agent shall promptly notify the CAD Swingline Lender (in writing or by telephone with prompt written confirmation) if such amount can be borrowed in compliance with the first sentence of Section 1.01(b).

(c) Without in any way limiting the obligation of the Company on behalf of itself or any other Borrower to confirm in writing any telephonic notice of any Borrowing of Revolving Loans, Swingline Loans or Local Currency Loans, the Administrative Agent or the applicable Swingline Lender, as the case may be, or, in the case of Local Currency Loans, the applicable Bank, may act without liability upon the basis of telephonic notice of such Borrowing, believed by the Administrative Agent, the applicable Swingline Lender or the applicable Bank, as the case may be, in good faith to be from a Senior Financial Officer of the Company (or from any other officer of the Company designated in writing from time to time by a Senior Financial Officer of the Company as a person entitled to give telephonic notices hereunder), prior to receipt of written confirmation. In each such case, the Administrative Agent's, the applicable Swingline Lender's, or the applicable Bank's record of the terms of any such telephonic notice of such Borrowing of Revolving Loans, Swingline Loans or Local Currency Loans, as the case may be, shall be PRIMA FACIE correct. Each Subsidiary Borrower irrevocably appoints the Company as its agent hereunder to issue requests for Borrowings on its behalf under Section 1.03.

(d) Mandatory Borrowings shall be made upon the notice specified in Section 1.01(c), with the Company irrevocably agreeing, by its incurrence of any Swingline Loan, to the making of Mandatory Borrowings as set forth in Section 1.01(c).

SECTION 1.04. BID LOANS. (a) Each Bank severally agrees that the Company may request Bid Borrowings denominated in Dollars comprised of either Absolute Rate Bid Loans or Eurodollar Rate Bid Loans under this Section 1.04 to be made from time to time on any Business

Day during the period from the Effective Date until the date occurring one day prior to the Final Maturity Date, in the manner set forth below; PROVIDED that, following the making of each Bid Borrowing, the aggregate Original Dollar Amount of all Loans outstanding hereunder plus the aggregate amount of all Letter of Credit Outstandings at such time shall not exceed the Total Commitment in effect at such time. Each Bid Borrowing shall be in an aggregate amount not less than \$5,000,000 or an integral multiple of \$1,000,000 in excess thereof.

(i) The Company may request a Bid Borrowing by delivering to the Administrative Agent by telecopier or telex, a notice of a Bid Borrowing (a "NOTICE OF BID BORROWING"), in substantially the form of Exhibit A-2 hereto, specifying the date and aggregate amount of the proposed Bid Borrowing, whether such Bid Borrowing is to consist of Absolute Rate Bid Loans or Eurodollar Rate Bid Loans, the maturity date for repayment of each Bid Loan to be made as part of such Bid Borrowing (which maturity date may be the date occurring between one and 180 days after the date of such Bid Borrowing, in the case of Absolute Rate Bid Loans, and one, two, three or six months after the date of such Bid Borrowing, in the case of Eurodollar Rate Bid Loans, and in any case no later than the Final Maturity Date), the interest payment date or dates relating thereto (which shall occur at least every 3 months, in the case of Eurodollar Rate Bid Loans, and at least every 90 days, in the case of Absolute Rate Bid Loans), and any other terms to be applicable to such Bid Borrowing, not later than 9:00 A.M. (New York time) (A) at least one Business Day prior to the date of the proposed Bid Borrowing, in the case of an Absolute Rate Bid Loan and (B) at least five Business Days prior to the date of the proposed Bid Borrowing, in the case of a Eurodollar Rate Bid Loan. The Company may request Bid Borrowings for more than one maturity date in a single Notice of Bid Borrowing. The Administrative Agent shall in turn promptly notify each Bank of each request for a Bid Borrowing received by it from the Company by sending such Bank a copy of the related Notice of Bid Borrowing.

(ii) Each Bank may, if, in its sole discretion, it elects to do so, irrevocably offer to make one or more Bid Loans to the Company as part of such proposed Bid Borrowing at, in the case of Absolute Rate Bid Loans, a rate or rates of interest (an "ABSOLUTE RATE") or, in the case of Eurodollar Rate Bid Loans, a margin (expressed as a percentage) above or below the applicable Eurocurrency Rate (a "BID RATE MARGIN"), in any case as specified by such Bank in its sole discretion, by notifying the Administrative Agent (which shall give prompt notice thereof to the Company), before 9:00 A.M. (New York time) (A) on the date of such proposed Bid Borrowing, in the case of an Absolute Rate Bid Loan and (B) four Business Days before the date of such proposed Bid Borrowing, in the case of a Eurodollar Rate Bid Loan, of the minimum amount (which must be at least \$5,000,000) and maximum amount of each Bid Loan that such Bank would be willing to make as part of such proposed Bid Borrowing (which amounts may, subject to the proviso to the first sentence of this Section 1.04, exceed such Bank's Commitment), the Absolute Rates or Bid Rate Margins, as the case may be, therefor and the maturity date relating thereto, PROVIDED that if the Administrative Agent in its capacity as a Bank shall, in its sole discretion, elect to make any such offer, it shall notify the Company of such offer before 8:45 A.M. (New York time) on the date on which notice of such election is to be given to the Administrative Agent by the other Banks. Subject to

Sections 5 and 9, any offer so made shall not be revocable except with the written consent of the Administrative Agent given on the instructions of the Company.

(iii) The Company may, in turn, before 10:00 A.M. (New York time) (A) on the date of such proposed Bid Borrowing, in the case of an Absolute Rate Bid Loan and (B) three Business Days before the date of such proposed Bid Borrowing, in the case of a Eurodollar Rate Bid Loan either

(A) cancel such Bid Borrowing by giving the Administrative Agent notice to that effect,

(B) irrevocably accept one or more of the offers made by any Bank or Banks pursuant to paragraph (ii) above, in its sole discretion, subject only to the provisions of this paragraph (iii), by giving notice to the Administrative Agent of the amount of each Bid Loan (which amount shall be equal to or greater than the minimum amount and equal to or less than the maximum amount, notified to the Company by the Administrative Agent on behalf of such Bank for such Bid Loan pursuant to paragraph (ii) above) to be made by each Bank as part of such Bid Borrowing, and reject any remaining offers with the same maturity date made by Banks pursuant to paragraph (ii) above by giving the Administrative Agent notice to that effect; PROVIDED, HOWEVER, that (x) the Company shall not accept an offer made pursuant to paragraph (ii) above, at any Absolute Rate or Bid Rate Margin, as the case may be, if the Company shall have, or shall be deemed to have, rejected any other offer with the same maturity date made pursuant to paragraph (ii) above, at a lower Absolute Rate or Bid Rate Margin, as the case may be, (y) if the Company declines to accept, or is otherwise restricted by the provisions of this Agreement from accepting, the maximum aggregate principal amount of Bid Borrowings offered at the same Absolute Rate or Bid Rate Margin, as the case may be, with the same maturity date pursuant to paragraph (ii) above, then the Company shall accept a PRO RATA portion of each offer made at such Absolute Rate or Bid Rate Margin, as the case may be, with the same maturity date, based as nearly as possible on the ratio of the aggregate principal amount of such offers to be accepted by the Company to the maximum aggregate principal amount of such offers made pursuant to paragraph (ii) above (rounding up or down to the next higher or lower multiple of \$1,000,000), and (z) no offer made pursuant to paragraph (ii) above shall be accepted unless the Bid Borrowing in respect of such offer is in an integral multiple of \$1,000,000 and the aggregate amount of such offers accepted by the Company is equal to at least \$5,000,000, or

(C) reject any or all of such offers either directly by written or telephonic notice to the Administrative Agent or indirectly by taking no action prior to the deadline specified above.

Any offer or offers made pursuant to paragraph (ii) above not expressly accepted or rejected by the Company in accordance with this paragraph (iii) shall be deemed to have been rejected by the

Company. Determinations by the Company of the amount of Bid Loans shall be conclusive in the absence of demonstrable error.

(iv) If the Company notifies the Administrative Agent that such Bid Borrowing is canceled pursuant to clause (A) of paragraph (iii) above, the Administrative Agent shall give prompt notice thereof to the Banks and such Bid Borrowing shall not be made.

(v) If the Company accepts one or more of the offers made by any Bank or Banks pursuant to clause (B) of paragraph (iii) above, the Administrative Agent shall in turn promptly notify (A) each Bank that has made an offer as described in paragraph (ii) above of the date and aggregate amount of such Bid Borrowing and whether or not any offer or offers made by such Bank pursuant to paragraph (ii) above have been accepted by the Company and (B) each Bank that is to make a Bid Loan as part of such Bid Borrowing of the amount of each Bid Loan to be made by such Bank as part of such Bid Borrowing. Each Bank that is to make a Bid Loan as part of such Bid Borrowing shall, before 12:00 Noon (New York time) on the date of such Bid Borrowing specified in the notice received from the Administrative Agent pursuant to clause (A) of the preceding sentence, make available to the Administrative Agent at the Administrative Agent's Payment Office such Bank's portion of such Bid Borrowing, in same day funds. Unless the Administrative Agent determines that any applicable condition set forth in Section 5 has not been satisfied, the Administrative Agent will make available to the Company at the Administrative Agent's Payment Office the aggregate of the amounts so made available by the Banks prior to 1:00 P.M. (New York time) on such day, to the extent of funds actually received by the Administrative Agent prior to 12:00 Noon (New York time).

(vi) The acceptance by the Company of any offer made by any Bank pursuant to paragraph (iii) (B) above shall be irrevocable and binding on the Company.

(b) Within the limits and on the conditions set forth in this Section 1.04 (including, without limitation, the condition set forth in the proviso to the first sentence of subsection (a) above), the Company may from time to time borrow under this Section 1.04, repay or prepay pursuant to subsection (c) below, and reborrow under this Section 1.04.

(c) The Company shall repay to the Administrative Agent for the account of each Bank that has made a Bid Loan, or each other holder of a Bid Note, on the maturity date of each Bid Loan (such maturity date being that specified by the Company for repayment of such Bid Loan in the related Notice of Bid Borrowing delivered pursuant to subsection (a)(i) above and provided in the Bid Note, if any, evidencing such Bid Loan), the then unpaid principal amount of such Bid Loan. The Company shall have no right to prepay any principal amount of any Bid Loan unless, and then only on the terms, specified by the Company for such Bid Loan in the related Notice of Bid Borrowing delivered pursuant to subsection (a)(i) above.

(d) The Company shall pay interest on the unpaid principal amount of each Bid Loan from the date of such Bid Loan to (but not including) the date the principal amount of such Bid

Loan is repaid in full, at a rate per annum equal to, in the case of an Absolute Rate Bid Loan, the Absolute Rate quoted by the Bank making such Bid Loan and, in the case of a Eurodollar Rate Bid Loan, the sum of the applicable Eurocurrency Rate determined for such Bid Loan plus (or minus) the Bid Rate Margin quoted by the Bank making such Bid Loan, payable in arrears on the interest payment date or dates specified by the Company for such Bid Loan in the related Notice of Bid Borrowing delivered pursuant to subsection (a)(i) above.

SECTION 1.05. DISBURSEMENT OF FUNDS. No later than 12:00 Noon (New York time) on the date specified in each Notice of Borrowing (or (x) in the case of Base Rate Loans, no later than 2:00 p.m. (New York time), (y) in the case of Swingline Loans denominated in Dollars, no later than 2:00 P.M. (New York time) on the date specified in Section 1.03(b) or (z) in the case of Mandatory Borrowings, no later than 12:00 Noon (New York time) on the date specified in Section 1.01(c)), each Bank with a Revolving Loan Commitment will make available through such Bank's applicable lending office its PRO RATA portion of each Borrowing requested to be made on such date to the Administrative Agent (or, in the case of Swingline Loans denominated in Dollars, Bank of America shall make available the full amount thereof) in Dollars and in immediately available funds at the Administrative Agent's Payment Office, unless such Borrowing is denominated in currency other than Dollars, in which case each such Bank shall make available its Loan comprising part of such Borrowing at such office as the Administrative Agent has previously specified in a notice to each such Bank, in such funds as are then customary for the settlement of international transactions in such currency and no later than such local time as is necessary for such funds to be received and transferred to the relevant Borrower for same day value on the date of the Borrowing. The Administrative Agent, unless it determines that any applicable condition in Section 5 has not been satisfied, will make available to the respective Borrower of Loans denominated in Dollars at the Administrative Agent's Payment Office the aggregate of the amounts so made available by the Banks prior to 1:00 P.M. (New York time) (or 3:00 P.M. (New York time) in the case of Base Rate Loans) on such day, to the extent of funds actually received by the Administrative Agent prior to 12:00 Noon (New York time) (or 2:00 P.M. (New York time) in the case of Base Rate Loans) and of Loans denominated in a Eurocurrency at such office as the Administrative Agent has previously agreed to with such Borrower the aggregate of the amounts so made available by the Banks prior to 1:00 P.M. (local time) on such day, to the extent of funds actually received by the Administrative Agent prior to 12:00 Noon (local time), in each case in the type of funds received by the Administrative Agent from the Banks. The CAD Swingline Lender, unless it determines that any applicable condition in Section 5 has not been satisfied, will make available to Sealed Air (Canada) Swingline Loans denominated in Canadian Dollars at its main office in Toronto (or such other location in Canada as the CAD Swingline Lender and the Company shall agree) prior to 1:00 p.m. (Toronto time) on the date such Swingline Loan is to be made. Unless the Administrative Agent shall have been notified by any Bank prior to the date of any Borrowing (including, for the purposes of the balance of this Section 1.05, a Bid Borrowing) that such Bank does not intend to make available to the Administrative Agent such Bank's portion of any Borrowing to be made on such date, the Administrative Agent may assume that such Bank has made such amount available to the Administrative Agent on such date of Borrowing and the Administrative Agent may, in reliance upon such assumption, make available to the respective Borrower a corresponding amount. If such corresponding amount is not in fact made available to the Administrative Agent by such Bank, the Administrative Agent shall be entitled to recover

such corresponding amount on demand from such Bank. If such Bank does not pay such corresponding amount forthwith upon the Administrative Agent's demand therefor, the Administrative Agent shall promptly notify the respective Borrower and such Borrower shall immediately pay such corresponding amount to the Administrative Agent. The Administrative Agent shall also be entitled to recover on demand from such Bank or such Borrower, as the case may be, interest on such corresponding amount in respect of each day from the date such corresponding amount was made available by the Administrative Agent to such Borrower until the date such corresponding amount is recovered by the Administrative Agent, at a rate per annum equal to (i) if recovered from such Bank, the overnight Federal Funds Rate if such Loan is denominated in Dollars or the cost to the Administrative Agent of acquiring and holding such funds for such period, if such loan is denominated in a Eurocurrency and (ii) if recovered from such Borrower, the rate of interest applicable to the respective Borrowing as determined in accordance with Section 1.09 or 1.04(d), as the case may be. Nothing in this Section 1.05 shall be deemed to relieve any Bank from its obligation to fulfill its Commitments hereunder or to prejudice any rights which any Borrower may have against any Bank as a result of any default by such Bank hereunder. Each Bank making a Local Currency Loan to a Subsidiary Borrower shall make the proceeds of such Local Currency Loan available to the relevant Subsidiary Borrower in accordance with the applicable Local Currency Documentation.

SECTION 1.06. NOTES. (a) The Loans made by each Bank and Local Affiliate and the Letters of Credit issued by the Issuing Agent shall be evidenced by one or more accounts or records maintained by such Bank or the Issuing Agent, as the case may be, in the ordinary course of business. The accounts or records maintained by the Issuing Agent and each Bank shall be conclusive in the absence of manifest error as to the amount of the Loans made by the Banks to the Borrowers and the Letters of Credit issued for the account of the Company, and the interest and payments thereon. Any failure to record or any error in doing so shall not, however, limit or otherwise affect the obligation of the Borrowers hereunder to pay any amount owing with respect to any Loan or any Letter of Credit.

(b) Each Borrower's obligation to pay the principal of, and interest on, all Loans made by a Bank or its Local Affiliate to such Borrower shall, upon request by such Bank or its Local Affiliate, be evidenced (i) if Revolving Loans, by a promissory note duly executed and delivered to such Bank by such Borrower in the form of Exhibit B-1 with blanks appropriately completed in conformity herewith (each, a "REVOLVING NOTE" and, collectively, the "REVOLVING NOTES"), (ii) if Bid Loans, by a promissory note duly executed and delivered to such Bank by the Company in the form of Exhibit B-2 with blanks appropriately completed in conformity herewith (each, a "BID NOTE" and, collectively, the "BID NOTES"), (iii) if Local Currency Loans, by a promissory note duly executed and delivered by such Borrower to such Bank or its Local Affiliate substantially in the form of Exhibit B-3 with blanks appropriately completed in conformity herewith (each, a "LOCAL CURRENCY NOTE" and, collectively, the "LOCAL CURRENCY NOTES") and (iv) if Swingline Loans, by a promissory note duly executed and delivered by the Company to the applicable Swingline Lender substantially in the form of Exhibit B-4 with blanks appropriately completed in conformity herewith (the "SWINGLINE NOTE").

(c) Each Bank will, and will cause its Local Affiliates, if any, to note on its or such Local Affiliate's internal records the amount of each Loan made by it or such Local Affiliate, as

the case may be, and each payment and conversion in respect thereof and will prior to any transfer of any of its Notes or such Local Affiliate's Notes, if any, endorse, or cause its Local Affiliates to endorse, on the reverse side thereof the outstanding principal amount of Loans evidenced thereby. Failure to make any such notation shall not affect any Borrower's obligations in respect of such Loans.

SECTION 1.07. CONVERSIONS. Each Borrower shall have the option to convert on any Business Day all or a portion equal to at least \$2,000,000 (and, if greater, in an integral multiple of \$500,000), of the outstanding principal amount of Revolving Loans made to such Borrower pursuant to one or more Borrowings of one or more Types of Loans into a Borrowing of another Type of Loan, PROVIDED that (i) except as otherwise provided in Section 1.11(b), Eurocurrency Loans denominated in Dollars may be converted into Base Rate Loans only on the last day of an Interest Period applicable thereto and no such partial conversion of Eurocurrency Loans shall reduce the outstanding principal amount of Eurocurrency Loans made pursuant to any single Borrowing to less than \$2,000,000, (ii) Base Rate Loans may only be converted into Eurocurrency Loans denominated in Dollars if no Event of Default is in existence on the date of the conversion and (iii) no conversion pursuant to this Section 1.07 shall result in a greater number of Borrowings than is permitted under Section 1.01(e). Neither Swingline Loans nor Loans denominated in a currency other than Dollars may be converted pursuant to this Section 1.07. Each such conversion shall be effected by such Borrower giving the Administrative Agent at its Notice Office prior to 11:00 A.M. (New York time) at least three Business Days' (one Business Day's in the case of conversions into Base Rate Loans) prior written notice (or telephone notice promptly confirmed in writing) (each a "NOTICE OF CONVERSION") specifying the Loans to be so converted, the Borrowing(s) pursuant to which such Loans were made, the date of such conversion (which shall be a Business Day) and, if to be converted into Eurocurrency Loans, the Interest Period to be initially applicable thereto. The Administrative Agent shall give each Bank prompt notice of any such proposed conversion affecting any of its Loans.

SECTION 1.08. PRO RATA BORROWINGS. All Borrowings of Revolving Loans made under this Agreement pursuant to Section 1.03 or incurred pursuant to a Mandatory Borrowing shall be incurred from the Banks PRO RATA on the basis of their then respective Unutilized Revolving Loan Commitments. All Borrowings of Revolving Loans converted from one Type of Loans into another Type of Loans pursuant to Section 1.07 shall be made by the Banks in the same percentage as such Borrowing was originally advanced. It is understood that no Bank shall be responsible for any default by any other Bank of its obligation to make Loans hereunder and that each Bank shall be obligated to make the Loans provided to be made by it hereunder regardless of the failure of any other Bank to make its Loans hereunder.

SECTION 1.09. INTEREST. (a) Each Borrower agrees to pay interest in respect of the unpaid principal amount of each Base Rate Loan made to such Borrower from the date the proceeds thereof are made available to such Borrower until the earlier of (i) the maturity (whether by acceleration or otherwise) of such Base Rate Loan and (ii) the conversion of such Base Rate Loan into a Eurocurrency Loan pursuant to Section 1.07 at a rate per annum which shall be equal to the Base Rate in effect from time to time.

(b) Each Borrower agrees to pay interest in respect of the unpaid principal amount of each Eurocurrency Loan made to such Borrower from the date the proceeds thereof are made available to such Borrower until the earlier of (i) the maturity (whether by acceleration or otherwise) of such Eurocurrency Loan and (ii) the conversion of such Eurocurrency Loan into a Base Rate Loan pursuant to Section 1.07 at a rate per annum which shall, during each Interest Period applicable thereto, be equal to the sum of the Applicable Margin plus the Eurocurrency Rate for such Interest Period.

(c) Each Local Currency Loan shall bear interest at such rate as the applicable Borrower and the Bank or Local Affiliate, as applicable, making such Local Currency Loan shall agree pursuant to the applicable Local Currency Documentation.

(d) Each Offered Rate Loan shall bear interest at such rate as the Company and the applicable Swingline Lender shall agree prior to the making of such Offered Rate Loan.

(e) Overdue principal and, to the extent permitted by law, overdue interest in respect of each Loan and any other overdue amount payable hereunder, shall, in each case, bear interest at a rate per annum equal to, (i) in the case of Loans denominated in Dollars (other than any Eurocurrency Loan), 2% in excess of the rate otherwise applicable to Base Rate Loans from time to time, (ii) in the case of Swingline Loans denominated in Canadian Dollars, 2% in excess of the rate otherwise applicable to Base Rate Loans of such type from time to time and (iii) in the case of Eurocurrency Loans, the rate which is the greater of (x) 2% in excess of the rate then borne by such Loan and (y) the sum of the Applicable Margin, plus two percent (2%) plus the rate of interest per annum as determined by the Administrative Agent (rounded upwards, if necessary, to the nearest whole multiple of one-sixteenth of one percent (1/16%)), at which overnight or weekend deposits of the appropriate currency (or, if such amount due remains unpaid more than three Business Days then for such other period of time not longer than six months as the Administrative Agent may elect in its absolute discretion) for delivery in immediately available and freely transferable funds would be offered by the Administrative Agent to major banks in the interbank market upon request of such major banks for the applicable period as determined above and in an amount comparable to the unpaid principal amount of any such Eurocurrency Loan (or, if the Administrative Agent is not placing deposits in such currency in the interbank market, then the Administrative Agent's cost of funds in such currency for such period). Interest which accrues under this Section 1.09(e) shall be payable on demand.

(f) Accrued (and theretofore unpaid) interest shall be payable (i) in respect of each Base Rate Loan, quarterly in arrears on the last Business Day of each March, June, September and December, (ii) in respect of each Eurocurrency Loan, on the last day of each Interest Period applicable thereto and, in the case of an Interest Period in excess of three months, on each date occurring at three month intervals after the first day of such Interest Period, (iii) in respect of Offered Rate Loans, on such dates as the Company and the applicable Swingline Lender shall agree prior to the making of such Offered Rate Loan, (iv) in respect of Local Currency Loans on such dates as the applicable Borrower and the Bank or Local Affiliate, as applicable, making such Local Currency Loans shall agree pursuant to the Local Currency Documentation, and

(v) in respect of each Loan, on any repayment or prepayment (on the amount repaid or prepaid), at maturity (whether by acceleration or otherwise) and, after such maturity, on demand.

(g) Upon each Interest Determination Date, the Administrative Agent shall determine the interest rate for the Eurocurrency Loans for the Interest Period to be applicable to such Eurocurrency Loans and shall promptly notify the Borrowers and the Banks thereof. Each such determination shall, absent manifest error, be final and conclusive and binding on all parties hereto.

SECTION 1.10. INTEREST PERIODS. At the time any Borrower gives any Notice of Borrowing or Notice of Conversion in respect of the making of, or conversion into, any Eurocurrency Loan (in the case of the initial Interest Period applicable thereto) or on the (i) fourth Business Day, in the case of Eurocurrency Loans denominated in a currency other than Dollars and (ii) third Business Day, in the case of Eurocurrency Loans denominated in Dollars, prior to the expiration of an Interest Period applicable to such Eurocurrency Loan (in the case of subsequent Interest Periods), the respective Borrower shall have the right to elect, by giving the Administrative Agent written notice (or telephonic notice promptly confirmed in writing) thereof, the interest period (each an "INTEREST PERIOD") applicable to such Borrowing, which Interest Period shall, at the option of such Borrower, be a one, two, three or six-month period, PROVIDED that:

(i) all Eurocurrency Loans comprising a Borrowing shall at all times have the same Interest Period;

(ii) the initial Interest Period for any Borrowing of Eurocurrency Loans shall commence on the date of such Borrowing (including the date of any conversion from a Borrowing of Base Rate Loans) and each Interest Period occurring thereafter in respect of such Borrowing shall commence on the day on which the next preceding Interest Period expires;

(iii) if any Interest Period begins on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period, such Interest Period shall end on the last Business Day of such calendar month;

(iv) if any Interest Period would otherwise expire on a day which is not a Business Day, such Interest Period shall expire on the next succeeding Business Day; PROVIDED, HOWEVER, that if any Interest Period would otherwise expire on a day which is not a Business Day but is a day of the month after which no further Business Day occurs in such month, such Interest Period shall expire on the next preceding Business Day;

(v) no Interest Period may be selected at any time when an Event of Default is then in existence; and

(vi) no Interest Period shall be selected which extends beyond the Final Maturity Date.

If upon the expiration of any Interest Period for Loans denominated in Dollars, the respective Borrower has failed to elect (or is not permitted to elect) a new Interest Period to be applicable to such Borrowing as provided above, such Borrower shall be deemed to have elected to convert such Borrowing into a Borrowing of Base Rate Loans effective as of the expiration date of current Interest Period.

SECTION 1.11. INCREASED COSTS, ILLEGALITY, ETC. (a) In the event that any Bank shall have determined (which determination shall, absent manifest error, be final and conclusive and binding upon all parties hereto but, with respect to clause (i) below, may be made only by the Administrative Agent):

(i) on any Interest Determination Date that, by reason of any changes arising after the Effective Date affecting the interbank eurocurrency market, adequate and fair means do not exist for ascertaining the applicable interest rate on the basis provided for in the definition of Eurocurrency Rate; or

(ii) at any time, that such Bank shall incur increased costs or reductions in the amounts received or receivable hereunder with respect to any Fixed Rate Loan because of (x) any change since the Effective Date in any applicable law or governmental rule, regulation, guideline, order or request (whether or not having the force of law) or in the interpretation or administration thereof and including the introduction of any new law or governmental rule, regulation, guideline or order such as, for example, but not limited to, a change in official reserve requirements, but, in all events, excluding reserves required under Regulation D to the extent included in the computation of the Eurocurrency Rate and/or (y) any other circumstances affecting such Bank or the interbank eurocurrency market or the position of such Bank in such market; or

(iii) at any time that the making or continuance of any Fixed Rate Loan has become (x) unlawful by compliance by such Bank with any law, governmental rule, regulation, guideline or order or (y) impossible by compliance by such Bank with any governmental request (whether or not having the force of law);

then, and in any such event, such Bank (or the Administrative Agent, in the case of clause (i) above) shall promptly give notice (by telephone confirmed in writing) to the Company, any affected Borrower and, except in the case of clause (i) above, to the Administrative Agent of such determination (which notice the Administrative Agent shall promptly transmit to each of the other Banks). Thereafter (x) in the case of clause (i) above, Eurocurrency Loans shall no longer be available until such time as the Administrative Agent notifies the Company, any affected Borrower and the Banks that the circumstances giving rise to such notice by the Administrative Agent no longer exist, and any Notice of Borrowing or Notice of Conversion given by any Borrower with respect to such affected Eurocurrency Loans which have not yet been incurred (including by way of conversion) shall be deemed to be a request for Base Rate Loans, (y) in the case of clause (ii) above, such Borrower shall pay to such Bank, within 15 days of receipt of the notice referred to below, such additional amounts (in the form of an increased rate of, or a different method of calculating, interest or otherwise as such Bank in its sole discretion shall determine) as shall be required to compensate such Bank for such increased costs

or reductions in amounts received or receivable hereunder (a written notice as to the additional amounts owed to such Bank, setting forth in reasonable detail the basis for the calculation thereof, submitted to the affected Borrower by such Bank shall, absent manifest error, be final and conclusive and binding upon all parties hereto) and (z) in the case of the clause (iii) above, such Borrower shall take one of the actions specified in Section 1.11(b) as promptly as possible and, in any event, within the time period required by law. To the extent the notice required by the preceding sentence and relating to costs arising under clause (ii) above is given by any Bank more than 90 days after the occurrence of the event giving rise to the additional costs of the type described in clause (ii) above, such Bank shall not be entitled to compensation under this Section 1.11(a) for any amounts incurred or accrued prior to the giving of such notice to the affected Borrower.

(b) At any time that any Fixed Rate Loan is affected by the circumstances described in Section 1.11(a)(ii) or (iii), the respective Borrower may (and in the case of a Fixed Rate Loan affected pursuant to Section 1.11(a)(iii) shall) either (x) if the affected Fixed Rate Loan is then being made initially or pursuant to a conversion, cancel the respective Borrowing by giving the Administrative Agent telephonic notice (confirmed in writing) thereof on the same date that such Borrower was notified by the affected Bank or the Administrative Agent pursuant to Section 1.11(a)(ii) or (iii) or require the affected Bank to make such Fixed Rate Loan as or convert such Fixed Rate Loan into, a Base Rate Loan or (y) if the affected Fixed Rate Loan is then outstanding, upon at least three Business Days' written notice to the Administrative Agent, require the affected Bank to convert such Fixed Rate Loan into a Base Rate Loan, PROVIDED that, if more than one Bank is similarly affected at any time, then all similarly affected Banks must be treated the same pursuant to this Section 1.11(b).

(c) If any Bank determines at any time that any change after the Effective Date in any applicable law or governmental rule, regulation, guideline, order, directive or request (whether or not having the force of law) concerning capital adequacy, or any change in the interpretation or administration thereof by any governmental authority, central bank or comparable agency, will have the effect of increasing the amount of capital required or expected to be maintained by such Bank or any corporation controlling such Bank based on the existence of such Bank's Commitment hereunder or its obligations hereunder, then the Borrowers jointly and severally agree to pay to such Bank, within 15 days of the receipt of the notice referred to below, such additional amounts as shall be required to compensate such Bank or such other corporation for the increased cost to such Bank or such other corporation as a result of such increase of capital. In determining such additional amounts, each Bank will act reasonably and in good faith and will use averaging and attribution methods which are reasonable, PROVIDED that such Bank's determination of compensation owing under this Section 1.11(c) shall, absent manifest error, be final and conclusive and binding on all the parties hereto. Each Bank, upon determining that any additional amounts will be payable pursuant to this Section 1.11(c), will give prompt written notice thereof to the Borrowers, which notice shall show in reasonable detail the basis for calculation of such additional amounts, although the failure to give any such notice shall not release or diminish the Borrowers' obligations to pay additional amounts pursuant to this Section 1.11(c). To the extent the notice required by the immediately preceding sentence is given by any Bank more than 90 days after the occurrence of the event giving rise to the additional costs of the type described in this Section 1.11(c), such Bank shall not be entitled to

compensation under this Section 1.11(c) for any amounts incurred or accrued prior to the giving of such notice to the Borrowers.

SECTION 1.12. COMPENSATION. Each Borrower shall compensate each Bank, upon its written request (which request shall set forth in reasonable detail the basis for requesting and calculation of the amount of such compensation), for all reasonable losses, expenses and liabilities (including, without limitation, any loss, expense or liability incurred by reason of the liquidation or reemployment of deposits or other funds required by such Bank to fund its Eurocurrency Loans, Eurocurrency Rate Bid Loans or, in the case of the applicable Swingline Lender, its Offered Rate Loans, but excluding any loss of anticipated profits) which such Bank may sustain: (i) if for any reason (other than a default by such Bank or the Administrative Agent) a Borrowing of, or conversion from or into, Eurocurrency Loans or Eurocurrency Rate Bid Loans does not occur on a date specified therefor in a Notice of Borrowing, Notice of Bid Borrowing or Notice of Conversion (whether or not withdrawn by the Borrower or deemed withdrawn pursuant to Section 1.11); (ii) if any repayment (including any repayment made pursuant to Section 1.14, 4.01 or 4.02 or as a result of an acceleration of the Loans pursuant to Section 9) or conversion of any of its Eurocurrency Loans, Eurocurrency Rate Bid Loans or Offered Rate Loans (but excluding any Offered Rate Loan repaid with the proceeds of a Mandatory Borrowing at any time no Default shall have occurred and be continuing) occurs on a date which is not its maturity date or the last day of an Interest Period with respect thereto; (iii) if any prepayment of any of its Eurocurrency Loans, Eurocurrency Rate Bid Loans or Offered Rate Loans is not made on any date specified in a notice of prepayment given by any Borrower; or (iv) as a consequence of (x) any other default by any Borrower to repay its Loans when required by the terms of this Agreement or the Notes, if any, held by such Bank or (y) any election made pursuant to Section 1.11(b), PROVIDED that with respect to this clause (y) only such compensation shall not be payable to a Bank that provided notice to the Company under Section 1.11(a)(iii).

SECTION 1.13. CHANGE OF LENDING OFFICE. Each Bank agrees that on the occurrence of any event giving rise to the operation of Section 1.11(a)(ii) or (iii), Section 1.11(c), Section 2.06 or Section 4.04 with respect to such Bank, it will, if requested by the Company, use reasonable efforts (subject to overall policy considerations of such Bank) to designate another lending office for any Loans or Letters of Credit affected by such event, PROVIDED that such designation is made on such terms that such Bank and its lending office suffer no economic, legal or regulatory disadvantage, with the object of avoiding the consequence of the event giving rise to the operation of such Section. Nothing in this Section 1.13 shall affect or postpone any of the obligations of any Borrower or the right of any Bank provided in Sections 1.11, 2.06 and 4.04.

SECTION 1.14. REPLACEMENT OF BANKS. (a)(i) Upon the occurrence of any event giving rise to the operation of Section 1.11(a)(ii) or (iii), Section 1.11(c), Section 2.06 or Section 4.04 with respect to any Bank which results in such Bank charging to any Borrower increased costs in excess of those being generally charged to such Borrower by the other Banks or (ii) as and to the extent provided in Section 13.12(b), the Company shall have the right, in accordance with the requirements of Section 13.04(b), if no Default or Event of Default will exist after giving effect to such replacement, to replace such Bank (the "REPLACED BANK") with one or more other Eligible Transferee or Transferees (collectively, the "REPLACEMENT BANK") acceptable to the Administrative Agent, PROVIDED that (i) at the time of any replacement pursuant to this

Section 1.14, the Replacement Bank shall enter into one or more Assignment and Assumption Agreements pursuant to Section 13.04(b) (and with all fees payable pursuant to said Section 13.04(b) to be paid by the Replacement Bank) pursuant to which the Replacement Bank shall acquire the entire Revolving Loan Commitment and Local Currency Commitment and all outstanding Revolving Loans and/or Local Currency Loans, as the case may be, of the Replaced Bank and, in connection therewith, shall pay to (x) the Replaced Bank in respect thereof an amount equal to the sum of (A) an amount equal to the principal of, and all accrued interest on, all outstanding Revolving Loans of the Replaced Bank and an amount equal to all Unpaid Drawings that have been funded by (and not reimbursed to) such Replaced Bank, together with all then unpaid interest with respect thereto at such time, (B) an amount equal to the principal of, and all accrued interest on, all outstanding Local Currency Loans of the Replaced Bank or any of its Local Affiliates and (C) an amount equal to all accrued, but theretofore unpaid, Fees and all other amounts due hereunder owing to the Replaced Bank pursuant to Section 3.01 and (y) the applicable Swingline Lender an amount equal to such Replaced Bank's Percentage of any Mandatory Borrowings and to Bank of America an amount equal to such Replaced Bank's Percentage of any Unpaid Drawing (which at such time remains an Unpaid Drawing) in either case to the extent any such amount was not theretofore funded by such Replaced Bank, and (ii) all obligations of the Borrowers owing to the Replaced Bank (other than those specifically described in clause (i) above in respect of which the assignment purchase price has been, or is concurrently being, paid) shall be paid in full by the Borrowers to such Replaced Bank concurrently with such replacement.

(b) Upon the execution of the respective Assignment and Assumption Agreements, the payment of the amounts referred to in clauses (i) and (ii) of Section 1.14(a) and, if so requested by the Replacement Bank, delivery to the Replacement Bank of the appropriate Note or Notes executed by the appropriate Borrowers, the Replacement Bank shall become a Bank hereunder and the Replaced Bank shall cease to constitute a Bank hereunder, except with respect to indemnification provisions under this Agreement (including, without limitation, Sections 1.11, 1.12, 2.06, 4.04, 13.01 and 13.06), which shall survive as to such Replaced Bank.

SECTION 1.15. COMPENSATION. (a) Each Bank may require the applicable Borrower to pay, contemporaneously with each payment of interest on each of such Bank's Eurocurrency Loans, additional interest on such Eurocurrency Loan at a rate per annum determined by such Bank up to but not exceeding the excess of (i) (A) the applicable Eurocurrency Rate divided by (B) one MINUS the Eurocurrency Reserve Percentage over (ii) the applicable Eurocurrency Rate. Any Bank wishing to require payment of such additional interest shall so notify the applicable Borrower and the Administrative Agent of the amount then due it under this Section, in which case such additional interest on the Eurocurrency Loans of such Banks shall be payable through the Administrative Agent to such Bank at the place indicated in such notice with respect to each Interest Period ending at least one Business Days after the giving of such notice.

(b) If and so long as any Bank is subject to the requirements of the Bank of England and the Financial Services Authority of the United Kingdom, such Bank may require the applicable Borrower to pay, contemporaneously with each payment of interest on each of such Bank's Eurocurrency Loans to such Borrower, additional interest on such Eurocurrency Loan at

a rate per annum equal to such Bank's MLA Cost calculated in accordance with the formula and in the manner set forth in Exhibit M hereto.

SECTION 1.16. SUBSTITUTION OF EURO FOR NATIONAL CURRENCY. If any Eurocurrency or Local Currency is replaced by the Euro, the Euro may be tendered in payment of any outstanding amount denominated in such Eurocurrency or Local Currency at the conversion rate specified in, or otherwise calculated in accordance with, the regulations adopted by the Council of the European Union relating to the Euro. Except as provided in the foregoing provisions of this Section, no replacement of an Eurocurrency or Local Currency by the Euro shall discharge, excuse or otherwise affect the performance of any obligation of any Borrower under this Agreement or its Notes.

SECTION 1.17. INCREASE IN COMMITMENT. Provided there exists no Default, the Company on behalf of the Borrowers and Guarantors may, on any Business Day on or prior to the ninetieth day after the date hereof, with the written consent of the Administrative Agent, increase the aggregate amount of the Revolving Loan Commitments by delivering a Commitment Amount Increase Request at least 5 Business Days prior to the desired effective date of such increase (the "COMMITMENT AMOUNT INCREASE") identifying an additional Bank (or additional Revolving Loan Commitment agreed to be made by any existing Bank) and the amount of its Revolving Loan Commitment (or additional amount of its Revolving Loan Commitment); PROVIDED, HOWEVER, that any increase of the aggregate amount of the Revolving Loan Commitments to an amount in excess of \$375,000,000 will require the approval of the Required Banks. The effective date of the Commitment Amount Increase shall be agreed upon by the Company and the Administrative Agent. Upon the effectiveness thereof, each new Bank (or, if applicable, each existing Bank which consented to an increase in its Revolving Loan Commitment) shall advance Revolving Loans in an amount sufficient such that after giving effect to its Revolving Loan each Bank shall have outstanding its PRO RATA share of Revolving Loans. It shall be a condition to such effectiveness that no Eurocurrency Loans be outstanding on the date of such effectiveness and that the Company shall not have terminated any portion of the Total Commitment pursuant to Section 3.02 hereof. The Company agrees to pay any fees or expenses of the Administrative Agent relating to any Commitment Amount Increase. Notwithstanding anything herein to the contrary, no Bank shall have any obligation to increase its Revolving Loan Commitment and no Bank's Revolving Loan Commitment shall be increased without its consent thereto, and each Bank may at its option, unconditionally and without cause, decline to increase its Revolving Loan Commitment.

SECTION 2. LETTERS OF CREDIT.

SECTION 2.01. LETTERS OF CREDIT. (a) Subject to and upon the terms and conditions set forth herein, the Company may request that the Issuing Agent issue, at any time and from time to time on and after the Effective Date and prior to the thirtieth (30) day prior to the Final Maturity Date, for the account of the Company, a Dollar denominated irrevocable standby letter of credit in support of obligations of the Company or any Subsidiary, in a form customarily used by the Issuing Agent or in such other form as has been approved by the Issuing Agent (each such standby letter of credit a "LETTER OF CREDIT").

(b) The Issuing Agent hereby agrees that it will (subject to the terms and conditions contained herein and in reliance upon the agreements of the other Banks set forth in Section 2.04) at any time and from time to time on or after the Effective Date and prior to the Final Maturity Date, following its receipt of the respective Letter of Credit Request, issue for the account of the Company one or more Letters of Credit, as is permitted to remain outstanding without giving rise to a Default or an Event of Default, PROVIDED that the Issuing Agent shall be under no obligation to issue any Letter of Credit if at the time of such issuance:

(i) any order, judgment or decree of any governmental authority or arbitrator shall purport by its terms to enjoin or restrain the Issuing Agent from issuing such Letter of Credit or any requirement of law applicable to the Issuing Agent or any request or directive (whether or not having the force of law) from any governmental authority with jurisdiction over the Issuing Agent shall prohibit, or request that the Issuing Agent refrain from, the issuance of letters of credit generally or such Letter of Credit in particular;

(ii) the issuance of such Letter of Credit would violate one or more policies of the Issuing Agent; or

(iii) The Issuing Agent shall have received notice from the Required Banks prior to the issuance of such Letter of Credit of the type described in the penultimate sentence of Section 2.03(b).

In addition, the Issuing Agent shall not be obligated to issue any Letter of Credit at a time when a Bank Default exists unless the Issuing Agent shall have entered into arrangements satisfactory to it and the Company to eliminate the Issuing Agent's risk with respect to the Bank which is the subject of the Bank Default, including by cash collateralizing an amount equal to the product of (x) such Bank's Percentage and (y) the Letter of Credit Outstandings.

(c) Notwithstanding the foregoing, (i) no Letter of Credit shall be issued the Stated Amount of which, when added to the Letter of Credit Outstandings (exclusive of Unpaid Drawings which are repaid on the date of, and prior to the issuance of, the respective Letter of Credit) at such time would exceed either (x) \$40,000,000 or (y) when added to the sum of the Original Dollar Amount of all Revolving Loans, Swingline Loans, Bid Loans and Local Currency Loans then outstanding, an amount equal to the Total Revolving Loan Commitment at such time and (ii) each Letter of Credit shall by its terms terminate on or before the fifth Business Day prior to the Final Maturity Date.

(d) Unless otherwise expressly agreed by the Issuing Agent and the Company when a Letter of Credit is issued, the rules of the "INTERNATIONAL STANDBY PRACTICES 1998" published by the Institute of International Banking Law & Practice (or such later version thereof as may be in effect at the time of issuance) shall apply to each Letter of Credit.

SECTION 2.02. MINIMUM STATED AMOUNT. The initial Stated Amount of each Letter of Credit shall not be less than \$250,000 or such lesser amount as is acceptable to the Issuing Agent.

SECTION 2.03. LETTER OF CREDIT REQUESTS. (a) Whenever the Company desires that a Letter of Credit be issued for its account, the Company shall give the Administrative Agent and the Issuing Agent at least five Business Days' (or such shorter period as is acceptable to the Issuing Agent) written notice thereof. Each notice shall be in the form of Exhibit C (each a "LETTER OF CREDIT REQUEST").

(b) The making of each Letter of Credit Request shall be deemed to be a representation and warranty by the Company that such Letter of Credit may be issued in accordance with, and will not violate the requirements of, Section 2.01(c). Subject to the terms and conditions set forth herein, unless the Issuing Agent has received notice from the Required Banks before it issues a Letter of Credit that a Default or an Event of Default then exists or that the issuance of such Letter of Credit would violate Section 2.01(c), then the Issuing Agent shall issue the requested Letter of Credit for the account of the Company in accordance with the Issuing Agent's usual and customary practices.

SECTION 2.04. LETTER OF CREDIT PARTICIPATIONS. (a) Immediately upon the issuance by the Issuing Agent of any Letter of Credit, the Issuing Agent shall be deemed to have sold and transferred to each other Bank (each such Bank, in its capacity under this Section 2.04, a "PARTICIPANT"), and each such Participant shall be deemed irrevocably and unconditionally to have purchased and received from the Issuing Agent, without recourse or warranty, an undivided interest and participation, to the extent of such Participant's Percentage in such Letter of Credit, each drawing made thereunder and the obligations of the Company under this Agreement with respect thereto, and any security therefor or guaranty pertaining thereto. Upon any change in the Commitment of the Banks pursuant to Section 1.01(d), Section 1.14 or 13.04, it is hereby agreed that, with respect to all outstanding Letters of Credit and Unpaid Drawings, there shall be an automatic adjustment to the participations pursuant to this Section 2.04 to reflect the new Percentages of the assignor and assignee Bank or of all Banks, as the case may be.

(b) In determining whether to pay under any Letter of Credit, the Issuing Agent shall have no obligation relative to the other Banks other than to confirm that any documents required to be delivered under such Letter of Credit appear to have been delivered and that they appear to comply on their face with the requirements of such Letter of Credit. Any action taken or omitted to be taken by the Issuing Agent under or in connection with any Letter of Credit if taken or omitted in the absence of gross negligence or willful misconduct, shall not create for the Issuing Agent any resulting liability to the Company, any Subsidiary of the Company or any Bank.

(c) In the event that the Issuing Agent makes any payment under any Letter of Credit and the Company shall not have reimbursed such amount in full to the Issuing Agent pursuant to Section 2.05(a), the Issuing Agent shall promptly notify the Administrative Agent, which shall promptly notify each Participant of such failure, and each Participant shall promptly and unconditionally pay to the Issuing Agent the amount of such Participant's Percentage of such unreimbursed payment in Dollars and in same day funds. If the Administrative Agent so notifies, prior to 11:00 A.M. (New York time) on any Business Day, any Participant required to fund a payment under a Letter of Credit, such Participant shall make available to the Issuing Agent in Dollars such Participant's Percentage of the amount of such payment on such Business Day in same day funds. If and to the extent such Participant shall not have so made its

Percentage of the amount of such payment available to the Issuing Agent, such Participant agrees to pay to the Issuing Agent, forthwith on demand such amount, together with interest thereon, for each day from such date until the date such amount is paid to the Issuing Agent at the overnight Federal Funds Rate. The failure of any Participant to make available to the Issuing Agent its Percentage of any payment under any Letter of Credit shall not relieve any other Participant of its obligation hereunder to make available to the Issuing Agent its Percentage of any Letter of Credit on the date required, as specified above, but no Participant shall be responsible for the failure of any other Participant to make available to the Issuing Agent such other Participant's Percentage of any such payment.

(d) Whenever the Issuing Agent receives a payment of a reimbursement obligation as to which it has received any payments from the Participants pursuant to clause (c) above, the Issuing Agent shall pay to each Participant which has paid its Percentage thereof, in Dollars and in same day funds, an amount equal to such Participant's share (based upon the proportionate aggregate amount originally funded by such Participant to the aggregate amount funded by all Participants) of the payment of the principal amount of such reimbursement obligation and interest thereon accruing after the purchase of the respective participations.

(e) Subject to Section 2.04(b) the obligations of the Participants to make payments to the Issuing Agent with respect to Letters of Credit issued by it shall be irrevocable and not subject to any qualification or exception whatsoever and shall be made in accordance with the terms and conditions of this Agreement under all circumstances, including, without limitation, any of the following circumstances:

(i) any lack of validity or enforceability of this Agreement or any of the other Credit Documents;

(ii) the existence of any claim, setoff, defense or other right which the Company or any of its Subsidiaries may have at any time against a beneficiary named in a Letter of Credit, any transferee of any Letter of Credit (or any Person for whom any such transferee may be acting), the Administrative Agent, any Participant, or any other Person, whether in connection with this Agreement, any Letter of Credit, any other Credit Document, the transactions contemplated herein or therein or any unrelated transactions (including any underlying transaction between the Company or any of its Subsidiaries on the one hand and the beneficiary named in any such Letter of Credit on the other hand);

(iii) any draft, certificate or any other document presented under any Letter of Credit proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect;

(iv) the surrender or impairment of any security for the performance or observance of any of the terms of any of the Credit Documents; or

(v) the occurrence of any Default or Event of Default.

SECTION 2.05. AGREEMENT TO REPAY LETTER OF CREDIT DRAWINGS. (a) The Company hereby agrees to reimburse the Issuing Agent, by making payment to the Administrative Agent in immediately available funds at the Payment Office of the Administrative Agent, for any payment or disbursement made by the Issuing Agent under any Letter of Credit (each such amount, so paid until reimbursed, an "UNPAID DRAWING"), (i) on the date of such payment or disbursement, if the Issuing Agent provides notice to the Company by 12:00 Noon (New York time) that it has made a payment or disbursement of such amount with respect to a Letter of Credit or (ii) by 12:00 Noon (New York time) on the next Business Day, if the Issuing Agent provides notice to the Borrower after 12:00 Noon (New York time) that it has made a payment or disbursement of such amount with respect to a Letter of Credit, in each case together with interest on the amount so paid or disbursed by the Issuing Agent, to the extent not reimbursed prior to 12:00 Noon (New York time) on the date of such payment or disbursement, from and including the date paid or disbursed to but excluding the date the Issuing Agent was reimbursed by the Company therefor at a rate per annum which shall be the Base Rate in effect from time to time; PROVIDED, HOWEVER, to the extent such amounts are not reimbursed prior to 12:00 Noon (New York time) on the third Business Day following such payment or disbursement, interest shall thereafter accrue on the amounts so paid or disbursed by the Issuing Agent (and until reimbursed by the Company) at a rate per annum which shall be the Base Rate in effect from time to time plus 2% and with such interest to be payable on demand. The Issuing Agent shall give the Company prompt notice of each Drawing under any Letter of Credit, PROVIDED that the failure to give any such notice shall in no way affect, impair or diminish the Company's obligations hereunder.

(b) The obligations of the Company under this Section 2.05 to reimburse the Issuing Agent with respect to drawings on Letters of Credit (each, a "DRAWING") (including, in each case, interest thereon) shall be absolute and unconditional under any and all circumstances and irrespective of any setoff, counterclaim or defense to payment which the Company may have or have had against any Bank (including in its capacity as issuer of the Letter of Credit or as Participant), or any non-application or misapplication by the beneficiary of the proceeds of such Drawing, the Issuing Agent's only obligation to the Company being to confirm that any documents required to be delivered under such Letter of Credit appear to have been delivered and that they appear to comply on their face with the requirements of such Letter of Credit. Any action taken or omitted to be taken by the Issuing Agent under or in connection with any Letter of Credit, if taken or omitted in the absence of gross negligence or willful misconduct, shall not create for the Issuing Agent any resulting liability to the Company or any of its Subsidiaries.

SECTION 2.06. INCREASED COSTS. If at any time after the Effective Date, the introduction of or any change in any applicable law or governmental rule, regulation, order, guideline, directive or request (whether or not having the force of law), or any change in the interpretation or administration thereof by any governmental authority, central bank or comparable agency charged with the interpretation or administration thereof, or compliance by the Issuing Agent or any Participant with any request or directive by any such authority (whether or not having the force of law), or any change in generally acceptable accounting principles, shall either (i) impose, modify or make applicable any reserve, deposit, capital adequacy or similar requirement against letters of credit issued by the Issuing Agent or participated in by any Participant, or (ii) impose on the Issuing Agent or any Participant any other conditions relating, directly or indirectly, to this Agreement or any Letter of Credit; and the result of any of the

foregoing is to increase the cost to the Issuing Agent or any Participant of issuing, maintaining or participating in any Letter of Credit, or reduce the amount of any sum received or receivable by the Issuing Agent or any Participant hereunder or reduce the rate of return on its capital with respect to Letters of Credit (except for changes in the rate of tax on, or determined by reference to, the net income or profits of the Issuing Agent or such Participant, pursuant to the laws of the jurisdiction in which the Issuing Agent or such Participant is organized or the jurisdiction in which the Issuing Agent's or such Participant's principal office or applicable lending office is located or any subdivision thereof or therein), then, within 15 days after demand of the Company by the Issuing Agent or such Participant (a copy of which demand shall be sent by the Issuing Agent or such Participant to the Administrative Agent), the Company shall pay to the Issuing Agent or such Participant such additional amount or amounts as will compensate the Issuing Agent or such Participant for such increased cost or reduction in the amount receivable or reduction on the rate of return on its capital. The Issuing Agent or any Participant, upon determining that any additional amounts will be payable pursuant to this Section 2.06, will give prompt written notice thereof to the Company, which notice shall include a certificate submitted to the Company by the Issuing Agent or such Participant (a copy of which certificate shall be sent by the Issuing Agent or such Participant to the Administrative Agent), setting forth in reasonable detail the basis for the calculation of such additional amount or amounts necessary to compensate the Issuing Agent or such Participant. The certificate required to be delivered pursuant to this Section 2.06 shall, if delivered in good faith and absent manifest error, be final and conclusive and binding on the Company. To the extent the notice required by the second preceding sentence is given by the Issuing Agent or any Participant more than 90 days after the occurrence of the event giving rise to the additional costs of the type described in this Section 2.06, the Issuing Agent or such Participant shall not be entitled to compensation under this Section 2.06 for any amounts incurred or accrued prior to the giving of such notice to the Company.

SECTION 3. FEES; REDUCTIONS OF COMMITMENTS.

SECTION 3.01. FEES. (a) The Company agrees to pay to the Administrative Agent for distribution to each Bank a Facility Fee (the "FACILITY FEE") for the period from the date hereof to but not including the Final Maturity Date (or such earlier date as the Total Commitment shall have been terminated) on the daily average Commitment of such Bank, at a rate of:

- (i) 0.175% per annum for each day Category A Period exists,
- (ii) 0.200% per annum for each day Category B Period exists,
- (iii) 0.300% per annum for each day Category C Period exists,
- (iv) 0.350% per annum for each day Category D Period exists,
- (v) 0.400% per annum for each day Category E Period exists, and
- (vi) 0.550% per annum for each day Category F Period exists.

Accrued Facility Fee shall be due and payable quarterly in arrears on the last Business Day of each March, June, September and December of each year, and on the Final Maturity Date (or upon such earlier date as the Total Commitment is terminated).

(b) The Company agrees to pay to the Administrative Agent for PRO RATA distribution to each Bank (based upon such Bank's Percentage) a fee in respect of each Letter of Credit issued hereunder (the "LETTER OF CREDIT FEE") for the period from and including the date of issuance of such Letter of Credit to but not including the termination of such Letter of Credit, computed at a rate per annum equal to the Applicable Margin as in effect from time to time on the daily Stated Amount of such Letter of Credit. Accrued Letter of Credit Fees shall be due and payable quarterly in arrears on the last Business Day of each March, June, September and December and upon the first day on or after the termination of the Total Revolving Loan Commitment upon which no Letters of Credit remain outstanding.

(c) The Company agrees to pay to the Issuing Agent, for its account, a facing fee in respect of each Letter of Credit issued by the Issuing Agent in such amounts as agreed between the Company and the Issuing Agent from time to time.

(d) The Company agrees to pay to the Issuing Agent, upon each drawing under, issuance of, or amendment to, any Letter of Credit issued by the Issuing Agent, such amount as shall at the time of such event be the administrative charge which the Issuing Agent is generally imposing in connection with such occurrence with respect to letters of credit.

(e) The Company agrees to pay to the Administrative Agent, for the account of each Bank on the date hereof, such up front fees as shall have been agreed to between the Company and the Administrative Agent.

(f) The Company agrees to pay to the Administrative Agent, for its own account, such other fees as shall have been agreed to by the Company and the Administrative Agent.

SECTION 3.02. VOLUNTARY REDUCTION OF COMMITMENTS. (a) Upon at least five Business Days' prior notice to the Administrative Agent at its Notice Office (which notice the Administrative Agent shall promptly transmit to each of the Banks), the Company shall have the right, at any time or from time to time, without premium or penalty, to terminate the Total Commitment in whole or in part, in integral multiples of \$10,000,000 in the case of partial reductions to the Total Commitment, PROVIDED that each such reduction shall apply proportionately to permanently reduce the Commitments of each Bank.

(b) With respect to any Bank subject to replacement pursuant to and as and to the extent provided in Section 13.12(b), the Company may, upon five Business Days' prior notice to the Administrative Agent at its Notice Office (which notice the Administrative Agent shall promptly transmit to each of the Banks) terminate the entire Commitment of such Bank so long as all Loans, together with all accrued and unpaid interest, Fees and all other amounts, owing to such Bank are repaid concurrently with the effectiveness of such termination pursuant to Section 4.01(b) (at which time Schedule 1.01 shall be deemed modified to reflect such changed amounts), and at such time such Bank shall no longer constitute a "Bank" for purposes of this

Agreement, except with respect to indemnifications under this Agreement (including, without limitation, Sections 1.11, 1.12, 2.06, 4.04, 13.01 and 13.06), which shall survive as to such repaid Bank.

SECTION 3.03. MANDATORY REDUCTION OF COMMITMENTS. The Total Revolving Loan Commitment (and the Revolving Loan Commitment of each Bank) shall terminate in its entirety on the Final Maturity Date.

SECTION 4. PREPAYMENTS; PAYMENTS.

SECTION 4.01. VOLUNTARY PREPAYMENTS. (a) Each Borrower shall have the right to prepay the Loans (other than Bid Loans and Local Currency Loans) made to it, without premium or penalty, in whole or in part at any time and from time to time on the following terms and conditions: (i) the respective Borrower shall give the Administrative Agent (and in the case of Swingline Loans made by the CAD Swingline Lender, the CAD Swingline Lender) prior to 12:00 Noon (New York time) at its Notice Office (x) same day written notice (or telephonic notice promptly confirmed in writing) of such Borrower's intent to prepay Base Rate Loans or Swingline Loans and (y) at least three Business Days' prior written notice (or telephonic notice promptly confirmed in writing) of such Borrower's intent to prepay Eurocurrency Loans, the amount of such prepayment and, in the case of Eurocurrency Loans, the specific Borrowing or Borrowings pursuant to which made, which notice the Administrative Agent shall promptly transmit to each of the Banks; and (ii) each prepayment shall be of Loans having an Original Dollar Amount of at least \$500,000 PROVIDED that if any partial prepayment of Eurocurrency Loans made pursuant to any Borrowing shall reduce the outstanding Eurocurrency Loans made pursuant to such Borrowing to an amount less than an Original Dollar Amount of \$2,000,000, then such Borrowing may not be continued as a Borrowing of Eurocurrency Loans and any election of an Interest Period with respect thereto given by the respective Borrower shall have no force or effect. Any Bid Loan shall be prepayable only with the consent of the Bank making such Bid Loan. Any Local Currency Loan shall be prepayable to the extent and on the terms provided in the applicable Local Currency Documentation.

(b) With respect to any Bank subject to replacement pursuant to and as and to the extent provided in Section 13.12(b), the respective Borrower may, upon five Business Days' written notice by such Borrower to the Administrative Agent at its Notice Office (which notice the Administrative Agent shall promptly transmit to each of the Banks), repay all Loans (other than Bid Loans), together with all accrued and unpaid interest, Fees, and all other amounts owing to the non-consenting Bank in accordance with said Section 13.12(b) so long as (A) the Commitment of such Bank is terminated concurrently with such repayment pursuant to Section 3.02(b) (at which time Schedule 1.01 shall be deemed modified to reflect the changed Commitments) and (B) the consents required by Section 13.12(b) in connection with the prepayment pursuant to this Section 4.01(b) have been obtained.

SECTION 4.02. MANDATORY PREPAYMENTS. (a) (i) If on any date the sum of (I) the aggregate outstanding Original Dollar Amount of Revolving Loans, Swingline Loans and Bid Loans and (II) the aggregate amount of Letter of Credit Outstandings exceeds the Total Revolving Loan Commitment as then in effect, there shall be required to be repaid on such date that principal

amount of Loans, in an amount equal to such excess. If, after giving effect to the prepayment of all outstanding Loans, the aggregate amount of the Letter of Credit Outstandings exceeds the Total Revolving Loan Commitment as then in effect, there shall be paid to the Administrative Agent at its Payment Office on such date an amount of cash equal to the amount of such excess (up to a maximum amount equal to the Letter of Credit Outstandings at such time), such cash to be held as security for the obligations of the Company hereunder in a cash collateral account established by the Administrative Agent.

(ii) If on any date the sum of the aggregate outstanding Original Dollar Amount of Local Currency Loans made under any Local Currency Commitment exceeds such Local Currency Commitment as then in effect, there shall be required to be repaid on such date that principal amount of such Local Currency Loans in an amount equal to such excess.

(iii) If on any date the aggregate outstanding U.S. Dollar Equivalent of the Swingline Loans made by the CAD Swingline Lender exceeds \$50,000,000, the CAD Swingline Lender may by notice to the Company require Sealed Air (Canada) to repay, and there shall be required to be repaid by Sealed Air (Canada), on the date specified in such notice that principal amount of such Swingline Loans in a principal amount equal to such excess.

(b) With respect to each repayment of Loans required by Section 4.02, the respective Borrower may designate the Types of Loans which are to be repaid and, in the case of Eurocurrency Loans, the specific Borrowing or Borrowings pursuant to which made, PROVIDED that: (i) repayments of Eurocurrency Loans made pursuant to this Section 4.02 may only be made on the last day of an Interest Period applicable thereto unless all such Eurocurrency Loans with Interest Periods ending on such date of required repayment and all Base Rate Loans have been paid in full; (ii) if any repayment of Eurocurrency Loans denominated in Dollars made pursuant to a single Borrowing shall reduce the outstanding Eurocurrency Loans made pursuant to such Borrowing to an amount less than \$2,000,000, such Borrowing shall be converted at the end of the then current Interest Period into a Borrowing of Base Rate Loans; and (iii) each repayment in respect of any Loans made pursuant to a specific Borrowing shall be applied PRO RATA among such Loans. In the absence of a designation by the respective Borrower as described in the preceding sentence, the Administrative Agent shall, subject to the above, make such designation in its sole discretion.

(c) Notwithstanding anything to the contrary contained elsewhere in this Agreement, all then outstanding Loans shall be repaid in full on the Final Maturity Date.

SECTION 4.03. METHOD AND PLACE OF PAYMENT. Except as otherwise specifically provided herein, all payments under this Agreement or any Note (i) to be made in Dollars shall be made to the Administrative Agent for the account of the Bank or Banks entitled thereto no later than 12:00 Noon (New York time) on the date when due and shall be made in Dollars in immediately available funds at the Administrative Agent's Payment Office and (ii) to be made in a Eurocurrency shall be made to the Administrative Agent, no later than 12:00 noon local time at the place of payment (or such earlier time as the Administrative Agent may notify to the relevant Borrower(s) as necessary for such funds to be received for same day value on the date of such payment) in the currency in which such amount is owed to such office as the Administrative

Agent has previously specified in a notice to the Borrowers for the benefit of the Person or Persons entitled thereto. All payments under this Agreement relating to Local Currency Loans shall be made in the manner provided in the applicable Local Currency Documentation. Whenever any payment to be made hereunder or under any Note shall be stated to be due on a day which is not a Business Day, the due date thereof shall be extended to the next succeeding Business Day and, with respect to payments of principal, interest shall be payable at the applicable rate during such extension. All payments under this Agreement in respect of CAD Swingline Loans shall be made to the CAD Swingline Lender by no later than 12:00 Noon (Toronto time) on the date when due and shall be made in Canadian Dollars (or, if such Swingline Loans have been converted to Dollars pursuant to Section 1.01(c), in Dollars) in immediately available funds to such office as the CAD Swingline Lender may from time to time designate in writing to the Company and Sealed Air (Canada). The CAD Swingline Lender agrees to promptly notify the Administrative Agent of its receipt of any such payments.

SECTION 4.04. NET PAYMENTS. (a) All payments made by the Borrowers hereunder or under any Note will be made without setoff, counterclaim or other defense. Except as provided in Section 4.04(b) and (c) with respect to payments made by a Borrower hereunder or under any Note, all such payments will be made free and clear of, and without deduction or withholding for, any present or future taxes, levies, imposts, duties, fees, assessments or other charges of whatever nature now or hereafter imposed by any jurisdiction or by any political subdivision or taxing authority thereof or therein from or through which such payments originate or are made (but excluding, (i) in the case of each Bank and the Administrative Agent, any tax imposed on or measured by net income or profits pursuant to the laws of the jurisdiction in which such Bank or the Administrative Agent (as the case may be) is organized or any subdivision thereof or therein and (ii) in the case of each Bank, any tax imposed on or measured by net income or profits pursuant to the laws of the jurisdiction in which the principal office or applicable lending office of such Bank is located or any subdivision thereof or therein) and all interest, penalties or similar liabilities with respect thereto (all such non-excluded taxes, levies, imposts, duties, fees, assessments or other charges being referred to collectively as "TAXES"). If any Taxes are so levied or imposed, the respective Borrower agrees to pay the full amount of such Taxes, and such additional amounts as may be necessary so that every payment of all amounts due under this Agreement or under any Note, after withholding or deduction for or on account of any Taxes, will not be less than the amount provided for herein or in such Note. The respective Borrower will furnish to the Administrative Agent within 45 days after the date the payment of any Taxes is due pursuant to applicable law certified copies of tax receipts, or other documents reasonably satisfactory to the Bank or Administrative Agent, evidencing such payment by such Borrower. The respective Borrower agrees to indemnify and hold harmless each Bank, and reimburse such Bank upon its written request, for the amount of any Taxes so levied or imposed and paid by such Bank; PROVIDED, however, that the relevant Borrower shall not be obligated to make payment to the Bank or the Administrative Agent (as the case may be) pursuant to this Section in respect of penalties, interest and other liabilities attributable to Taxes, if (x) written demand therefor has not been made by such Bank or the Administrative Agent within 90 days from the date on which such Bank or the Administrative Agent knew of the imposition of Taxes by the relevant governmental authorities or (y) to the extent such penalties, interest and other liabilities are attributable to the gross negligence or willful misconduct of the Bank. If any Bank shall obtain a refund, credit or deduction as a result of the payment of or indemnification for any

Taxes made by any Borrower to such Bank pursuant to this Section 4.04(a), such Bank shall pay to such Borrower an amount with respect to such refund, credit or deduction equal to any net tax benefit actually received by such Bank as a result thereof which such Bank determines, in its sole discretion, to be attributable to such payment.

(b) Each Bank that is not a United States person (as such term is defined in Section 7701(a)(30) of the Code) agrees to deliver to the Company and the Administrative Agent on or prior to the Effective Date, or in the case of a Bank that is an assignee or transferee of an interest under this Agreement pursuant to Section 1.14 or 13.04 (unless the respective Bank was already a Bank hereunder immediately prior to such assignment or transfer), on the date of such assignment or transfer to such Bank, (i) two accurate and complete original signed copies of Internal Revenue Service Form W-8ECI or W-8BEN (or successor forms) certifying to such Bank's entitlement to a complete exemption from United States withholding tax with respect to payments to be made by the Company under this Agreement and under any Note, or (ii) if the Bank is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code and cannot deliver either Internal Revenue Service Form W-8ECI or W-8BEN pursuant to clause (i) above, (x) a certificate substantially in the form of Exhibit D (any such certificate, a "Section 4.04(b)(ii) Certificate") and (y) two accurate and complete original signed copies of Internal Revenue Service Form W-8 (or successor form) certifying to such Bank's entitlement to a complete exemption from United States withholding tax with respect to payments of interest to be made by the Company under this Agreement and under any Note. In addition, each Bank agrees that from time to time after the Effective Date, when a lapse in time or change in circumstances renders the previous certification obsolete or inaccurate in any material respect, it will deliver to the Company and the Administrative Agent two new accurate and complete original signed copies of Internal Revenue Service Form W-8ECI or W-8BEN, or Form W-8 and a Section 4.04(b)(ii) Certificate, as the case may be, and such other forms as may be required in order to confirm or establish the entitlement of such Bank to a continued exemption from or reduction in United States withholding tax with respect to payments by the Company under this Agreement and any Note, or it shall immediately notify the Company and the Administrative Agent of its inability to deliver any such Form or Certificate, in which case such Bank shall not be required to deliver any such Form or Certificate. Notwithstanding anything to the contrary contained in Section 4.04(a), but subject to Section 13.04(b) and the immediately succeeding sentence, (x) the Company shall be entitled, to the extent it is required to do so by law, to deduct or withhold Taxes, income or similar taxes imposed by the United States (or any political subdivision or taxing authority thereof or therein) from interest, fees or other amounts payable hereunder for the account of any Bank which is not a United States person (as such term is defined in Section 7701(a)(30) of the Code) for U.S. Federal income tax purposes to the extent that such Bank has not timely provided to the Company U.S. Internal Revenue Service Forms that establish a complete exemption from such deduction or withholding and (y) the Company shall not be obligated pursuant to Section 4.04(a) to gross-up payments to be made to a Bank in respect of Taxes, income or similar taxes imposed by the United States if (I) such Bank has not provided to the Company the Internal Revenue Service Forms required to be provided to the Company pursuant to this Section 4.04(b), to the extent that such Forms do not establish a complete exemption from withholding of such taxes or (II) in the case of a payment, other than interest, is made to a Bank described in clause (ii) above. Notwithstanding anything to the contrary contained in the preceding sentence or elsewhere in this Section 4.04 and except as set

forth in Section 13.04(b), the Company agrees to pay additional amounts and to indemnify each Bank in the manner set forth in Section 4.04(a) (without regard to the identity of the jurisdiction requiring the deduction or withholding) in respect of any amounts deducted or withheld by it as described in the immediately preceding sentence as a result of any changes after the Effective Date in any applicable law, treaty, governmental rule, regulation, guideline or order, or in the interpretation thereof, relating to the deducting or withholding of income or similar Taxes.

(c) If a Bank is managed and controlled from or incorporated under the laws of any jurisdiction other than the United Kingdom and is required to make Revolving Loans to a Subsidiary Borrower incorporated in the United Kingdom through a lending office located outside the United Kingdom (a "NON-U.K. BANK"), such Non-U.K. Bank agrees to file with the relevant taxing authority (with a copy to the Company and the Administrative Agent), to the extent that it is entitled to file, at the expense of such Subsidiary Borrower within 20 days after the Effective Date, or in the case of a Non-U.K. Bank that is an assignee or transferee of an interest under this Agreement pursuant to Section 1.13 or 13.04 (unless the respective Non-U.K. Bank was already a Non-U.K. Bank immediately prior to such assignment or transfer), on the date of such assignment or transfer to such Non-U.K. Bank, two accurate and complete copies of the form entitled "Claim on Behalf of a United States Domestic Corporation to Relief from United Kingdom Income Tax on Interest and Royalties Arising in the United Kingdom," or its counterpart with respect to jurisdictions other than the United States, or any successor form. Such Non-U.K. Bank shall claim in such form its entitlement to a complete exemption from or reduced rate of U.K. withholding tax on interest paid by such Subsidiary Borrower hereunder, and shall file with the relevant taxing authority, any successor forms thereto if any previously filed form is found to be incomplete or incorrect in any material respect or upon the obsolescence of any previously delivered form, PROVIDED that the failure to obtain such exemption from or reduced rate of U.K. withholding tax shall not alter the obligations of the Borrowers under Section 4.04(a). Each Non-U.K. Bank that is entitled to a complete exemption from U.K. withholding tax on interest paid by such Subsidiary Borrower hereunder without the filing of such form need not file such form, but shall demonstrate to the reasonable satisfaction of the Company the basis for such exemption.

(d) Each Bank represents and warrants to the Administrative Agent, the Company and each other Borrower that is a Domestic Subsidiary that under applicable law and treaties in effect as of the date hereof no taxes imposed by the United States or any country in which any Bank is organized or controlled or in which any Bank's applicable lending office is located or any political subdivision of any of the foregoing will be required to be withheld by the Company or any other Borrower that is a Domestic Subsidiary with respect to any payments to be made to such Bank, or any of its applicable lending offices, in respect of any of the Loans; PROVIDED, HOWEVER, that the Banks shall not make the representations and warranties under this Section 4.04(d) with respect to, and such representations and warranties shall not include, (i) Loans denominated in a currency other than the official currency of the jurisdiction under the laws of which the applicable Borrower is organized and (ii) Loans for which the outstanding principal thereof and interest thereon is being paid by the Company pursuant to Section 12.

SECTION 5. CONDITIONS PRECEDENT.

SECTION 5.01. CONDITIONS TO EFFECTIVE DATE AND CREDIT EVENTS ON THE EFFECTIVE DATE. The occurrence of the Effective Date pursuant to Section 13.10, and the obligation of each Bank to make Loans, and the obligation of the Issuing Agent to issue Letters of Credit, in each case on the Effective Date, are subject at the time of such Credit Event to the satisfaction of the following conditions:

(a) EXECUTION OF AGREEMENT; NOTES. (i) This Agreement shall have been executed and delivered as provided in Section 13.10 and (ii) to the extent requested by any Bank, there shall have been delivered to (x) the Administrative Agent for the account of the requesting Bank(s) the appropriate Bid Notes and/or Revolving Notes and/or Local Currency Notes executed by the respective Borrower, (y) to Bank of America, a Swingline Note executed by the Company, and (z) to the CAD Swingline Lender, a Swingline Note executed by Sealed Air (Canada) in each case in the amount, maturity and as otherwise provided herein.

(b) OPINION OF COUNSEL. On the Effective Date, the Administrative Agent shall have received an opinion, addressed to the Administrative Agent and each of the Banks and dated the Effective Date, from (i) Davis Polk & Wardwell, Special Counsel of the Borrowers, covering the matters set forth in and in the form of Exhibit E-1 and (ii) General Counsel of the Company, covering the matters set forth in and in the form of Exhibit E-2, and such other matters incident to the transactions contemplated herein as the Administrative Agent may reasonably request.

(c) CORPORATE DOCUMENTS; PROCEEDINGS; OFFICERS' CERTIFICATES. (i) On the Effective Date, the Administrative Agent shall have received from each Borrower (other than Sealed Air (New Zealand) Limited, Sealed Air Argentina S.A. and Cryovac Australia Pty. Limited) a certificate, dated the Effective Date, signed by the Secretary or any Assistant Secretary of such Borrower, substantially in the form of Exhibit F-1, with appropriate insertions, together with copies of the certificate of incorporation and by-laws or other equivalent governing document of such Borrower and the resolutions of the Borrower referred to in such certificate, and a certificate, dated the Effective Date, signed by the Chairman, President or any Vice President (or equivalent officer) of such Borrower, substantially in the form of Exhibit F-2, and each of the foregoing shall be satisfactory to the Administrative Agent.

(ii) All corporate proceedings and all instruments and agreements in connection with the transactions contemplated by this Agreement and the other Credit Documents shall be satisfactory in form and substance to the Administrative Agent, and, with respect to the Company, the Administrative Agent shall have received all information and copies of all documents and papers, including records of corporate proceedings and governmental approvals (to the extent required under clause (d) below), which the Administrative Agent reasonably may have requested in connection therewith, such documents and papers where appropriate to be certified by proper corporate or governmental authorities.

(d) GOVERNMENTAL APPROVALS, ETC. On or prior to the Effective Date, all necessary governmental (domestic and foreign) and third party approvals in connection with the transactions contemplated by the Credit Documents and otherwise referred to herein or therein shall have been obtained and remain in effect, (except such approvals the failure to obtain which, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect).

(e) OUTSTANDING CREDIT AGREEMENT. On or prior to the Effective Date, the Company shall have provided evidence satisfactory to the Administrative Agent of the termination (or arrangements for termination) of the Global Revolving Credit Agreement (364-Day) dated as of March 30, 1998 among Sealed Air Corporation, certain of its subsidiaries, the banks party thereto ABN AMRO Bank, N.V., as Administrative Agent, Bankers Trust Company as Documentation Agent and Bank of America, N.A., as Syndication Agent, payment (or arrangements for the payment) in full of the principal of and accrued interest on all loans outstanding thereunder and all accrued letter of credit fees and commitment fees owing thereunder and cancellation of any letters of credit issued thereunder.

(f) FEES, ETC. On the Effective Date, the Company shall have paid to the Administrative Agent and the Banks all costs, fees and expenses (including, without limitation, legal fees and expenses) payable to the Administrative Agent and the Banks to the extent then due.

Each Bank that is also a bank under the Global Revolving Credit Agreement (364-Day) referred to in clause (e), by its execution hereof, hereby waives any requirement under such Agreement that the Company give prior notice of the termination of the commitments thereunder, and agrees that such notice may be given on the same day as such termination is to be effective.

SECTION 5.02. CONDITIONS AS TO ALL CREDIT EVENTS. The occurrence of the Effective Date pursuant to Section 13.10, and the obligation of each Bank to make Loans (including Loans made on the Effective Date, but excluding Mandatory Borrowings made thereafter, which shall be made as provided in Section 1.01(c)) and the obligation of the Issuing Agent to issue any Letter of Credit, is subject, at the time of each such Credit Event (except as hereinafter indicated), to the satisfaction of the following conditions:

(a) NO DEFAULT; REPRESENTATIONS AND WARRANTIES. At the time of each such Credit Event and also after giving effect thereto (i) there shall exist no Default and (ii) all representations and warranties contained herein (other than Section 6.05) and in the other Credit Documents shall be true and correct in all material respects with the same effect as though such representations and warranties had been made on the date of the making of such Credit Event (it being understood and agreed that any representation or warranty which by its terms is made as of a specified date shall be required to be true and correct in all material respects only as of such specified date).

(b) NOTICE OF BORROWING, LETTER OF CREDIT REQUEST. (i) Prior to the making of each Loan, the Administrative Agent shall have received a Notice of Borrowing meeting the requirements of Section 1.03(a). Prior to the making of each Swingline Loan, the applicable Swingline Lender shall have received the notice required by Section 1.03(b).

(ii) Prior to the issuance of each Letter of Credit, the Administrative Agent and the Issuing Agent shall have received a Letter of Credit Request meeting the requirements of Section 2.03.

The occurrence of the Effective Date and the acceptance of the benefits of each Credit Event shall constitute a representation and warranty by the Borrowers that all the applicable conditions to such Credit Event specified in this Section 5 have been satisfied as of that time. All of the Notes, certificates, legal opinions and other documents and papers referred to in this Section 5, unless otherwise specified, shall be delivered to the Administrative Agent at its Notice Office for the account of each of the Banks and, except for the Notes, if any, in sufficient counterparts for each of the Banks and shall be satisfactory in form and substance to the Administrative Agent and the Banks.

SECTION 5.03. SUBSIDIARY BORROWERS, ETC. (a) The obligation of each Bank to make Loans to Sealed Air (New Zealand) Limited, Sealed Air Argentina S.A. or Cryovac Australia Pty. Limited is subject to the satisfaction of the following conditions:

(i) if requested by any Bank, such Subsidiary Borrower shall have executed and delivered Revolving Notes satisfying the conditions of Section 1.06; and

(ii) the Administrative Agent shall have received from such Subsidiary Borrower a certificate, signed by the Secretary or any Assistant Secretary (or equivalent officer) of such Subsidiary Borrower, substantially in the form of Exhibit F-1, with appropriate insertions, together with copies of the certificate of incorporation and by-laws or other equivalent governing document of such Subsidiary Borrower and the resolutions of the Subsidiary Borrower referred to in such certificate, and a certificate signed by the Chairman, President or any Vice President (or equivalent officer) of such Borrower, substantially in the form of Exhibit F-2, and each of the foregoing shall be satisfactory to the Administrative Agent.

(b) At any time that the Company desires that a Wholly-Owned Subsidiary of the Company (other than those Subsidiaries that are Subsidiary Borrowers on the date hereof) become a Subsidiary Borrower hereunder, such Subsidiary Borrower shall satisfy the following conditions at the time it becomes a Subsidiary Borrower:

(i) if requested by any Bank, such Subsidiary Borrower shall have executed and delivered Revolving Notes and, if appropriate, Local Currency Notes satisfying the conditions of Section 1.06;

(ii) such Subsidiary Borrower shall have executed and delivered an Election to Become a Subsidiary Borrower, which shall be in full force and effect;

(iii) to the extent any of the documents, writings, records, instruments and consents that would have been required by Section 5.01(c) if such Subsidiary Borrower had been subject thereto on the Effective Date had not been heretofore delivered, such items shall have been delivered to, and shall be satisfactory to, the Administrative Agent; and

(iv) such Subsidiary Borrower shall have received the consent of the Administrative Agent, such consent not to be unreasonably withheld.

(c) Each Subsidiary Borrower shall cease to be a Borrower hereunder upon the delivery to the Administrative Agent of an Election to Terminate in the form of Exhibit L hereto or such Subsidiary Borrower ceasing to be a Subsidiary. Upon ceasing to be a Borrower pursuant to the preceding sentence, a Borrower shall lose the right to request Borrowings hereunder, but such circumstance shall not affect any obligation of a Subsidiary Borrower theretofore incurred.

SECTION 6. REPRESENTATIONS, WARRANTIES AND AGREEMENTS.

In order to induce the Banks to enter into this Agreement and to make the Loans, and issue (and participate in) the Letters of Credit as provided herein, each Borrower makes the following representations, warranties and agreements, all of which shall survive the execution and delivery of this Agreement and the Notes and the making of the Loans and issuance of the Letters of Credit.

SECTION 6.01. STATUS. Each of the Company and its Material Subsidiaries (i) is duly organized, validly existing and, if applicable, in good standing, under the laws of the jurisdiction of its incorporation or organization, (ii) has the corporate or comparable power and authority to own its property and assets and to transact the business in which it is engaged and presently proposes to engage and (iii) is duly qualified as a foreign corporation and, if applicable, in good standing in each jurisdiction where the ownership, leasing or operation of property or the conduct of its business requires such qualification, except where the failure to be so qualified would not reasonably be expected to have a Material Adverse Effect.

SECTION 6.02. POWER AND AUTHORITY. Each Borrower and each Subsidiary Guarantor has the corporate or comparable power and authority to execute, deliver and perform the terms and provisions of each of the Credit Documents to which it is a party and has taken all necessary corporate or comparable action to authorize the execution, delivery and performance by it of each of such Credit Documents. Each Borrower and each Subsidiary Guarantor has duly executed and delivered each of the Credit Documents to which it is a party, and each of such Credit Documents constitutes its legal, valid and binding obligation enforceable in accordance with its terms, except to the extent that the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws generally affecting creditors' rights and by equitable principles (regardless of whether enforcement is sought in equity or at law).

SECTION 6.03. NO VIOLATION. Neither the execution, delivery or performance by any Borrower or any Guarantor of the Credit Documents to which it is a party, nor compliance by it

with the terms and provisions thereof, (i) contravenes any provision of any law, statute, rule or regulation or any order, writ, injunction or decree of any court or governmental instrumentality, except where such contravention would not reasonably be expected to have a Material Adverse Effect, (ii) conflicts or is inconsistent with or results in any breach of any of the terms, covenants, conditions or provisions of, or constitutes a default under, or results in the creation or imposition of (or the obligation to create or impose) any Lien upon any of the property or assets of the Company or any of its Material Subsidiaries pursuant to the terms of any indenture, mortgage, deed of trust, credit agreement, loan agreement or any other material agreement, contract or instrument to which the Company or any of its Material Subsidiaries is a party or by which it or any of its property or assets are bound or to which it may be subject, except where such conflict, inconsistency, breach or default would not reasonably be expected to result in a Material Adverse Effect or (iii) violates any provision of the certificate of incorporation or by-laws (or the equivalent documents) of the Company or any of its Material Subsidiaries.

SECTION 6.04. GOVERNMENTAL APPROVALS. No order, consent, approval, license, authorization or validation of, or filing, recording or registration with (except as have been obtained or made on or prior to the relevant Credit Event and which remain in full force and effect), or exemption by, any governmental or public body or authority, or any subdivision thereof, is required to be obtained by the Company, any Borrower or any Guarantor to authorize, or is required for, (i) the execution, delivery and performance of any Credit Document or (ii) the legality, validity, binding effect or enforceability of any Credit Document.

SECTION 6.05. FINANCIAL STATEMENTS; FINANCIAL CONDITION. The audited consolidated balance sheet of the Company and its Subsidiaries for the fiscal year ended December 31, 1999 and the related consolidated statements of income or operations, shareholders' equity and cash flows for such fiscal year of the Company and its Subsidiaries (i) were prepared in accordance with generally accepted accounting principles consistently applied throughout the period covered thereby, except as otherwise expressly noted therein; and (ii) fairly present the financial condition of the Company and its Subsidiaries as of the date thereof and their results of operations for the period covered thereby in accordance with generally accepted accounting principles consistently applied throughout the period covered thereby, except as otherwise expressly noted therein. The unaudited consolidated financial statements of the Company and its Subsidiaries dated September 30, 2000, and the related consolidated statements of income or operations, and cash flows for the fiscal quarter ended on that date (i) were prepared in accordance with generally accepted accounting principles consistently applied throughout the period covered thereby, except as otherwise expressly noted therein, and subject to normal year-end audit adjustments and to the fact that such financial statements may be abbreviated and may omit footnotes or contain incomplete footnotes; and (ii) fairly present the financial condition of the Company and its Subsidiaries as of the date thereof and their results of operations for the period covered thereby. During the period from December 31, 1999 to the Effective Date, there has been no change in the business, results of operations or financial condition of the Company and its Subsidiaries, taken as a whole, that would reasonably be expected to have a Material Adverse Effect.

SECTION 6.06. LITIGATION. Except for certain proceedings, investigations and other legal matters as to which the Company cannot currently predict the results or impact, if any, but as to

which in any event, pursuant to the Distribution Agreement, the Company and Cryovac and its affiliates are indemnified by the New Grace Group (as defined in the Distribution Agreement), there are no actions, suits or proceedings pending or, to the knowledge of any Borrower, threatened against the Company or any Material Subsidiary in which there is a reasonable possibility of an adverse decision (i) which in any manner draws into question the validity or enforceability of any Credit Document or (ii) that would reasonably be expected to have a Material Adverse Effect.

SECTION 6.07. TRUE AND COMPLETE DISCLOSURE. All factual information (taken as a whole) heretofore or contemporaneously furnished by or on behalf of the Company or any of its Subsidiaries in writing to any Bank (including, without limitation, all information relating to the Company and its Subsidiaries contained in the Credit Documents but excluding any forecasts and projections of financial information and results submitted to any Bank) for purposes of or in connection with this Agreement, or any transaction contemplated herein, is to the knowledge of the Company true and accurate in all material respects on the date as of which such information is dated or certified and not incomplete by omitting to state any fact necessary to make such information (taken as a whole) not misleading at such time in light of the circumstances under which such information was provided.

SECTION 6.08. USE OF PROCEEDS; MARGIN REGULATIONS. (a) All proceeds of Loans shall be used by the respective Borrowers for the working capital and general corporate purposes of the Company and its Subsidiaries, including acquisitions of assets and stock (including repurchases by the Company of its own stock).

(b) No part of the proceeds of any Loan will be used by any Borrower or any Subsidiary thereof to purchase or carry any Margin Stock (other than repurchases by the Company of its own stock) or to extend credit to others for the purpose of purchasing or carrying any Margin Stock. Neither the making of any Loan nor the use of the proceeds thereof will violate or be inconsistent with the provisions of Regulations T, U or X of the Board of Governors of the Federal Reserve System.

SECTION 6.09. TAX RETURNS AND PAYMENTS. Each of the Company and its Subsidiaries has timely filed or caused to be timely filed, on the due dates thereof or pursuant to applicable extensions thereof, with the appropriate taxing authority, all Federal and other material returns, statements, forms and reports for taxes (the "RETURNS") required to be filed by or with respect to the income, properties or operations of the Company and/or any of its Subsidiaries, except where the failure to so file would not reasonably be expected to result in a Material Adverse Effect. Each of the Company and its Subsidiaries has paid all material taxes payable by them other than taxes which are not delinquent, and other than those contested in good faith and for which adequate reserves have been established in accordance with generally accepted accounting principles and which if unpaid would reasonably be expected to result in a Material Adverse Effect.

SECTION 6.10. COMPLIANCE WITH ERISA. Each Plan is in substantial compliance with the material provisions of ERISA and the Code; no Reportable Event has occurred with respect to a Plan which would reasonably be expected to result in a Material Adverse Effect; no Plan is

insolvent or in reorganization; excluding Plans which are multiemployer plans (as defined in Section 4001(a)(3) of ERISA) the aggregate Unfunded Current Liability for all Plans does not exceed \$20,000,000, and no Plan has an accumulated or waived funding deficiency or has applied for an extension of any amortization period within the meaning of Section 412 of the Code; all material contributions required to be made with respect to a Plan have been timely made; neither the Company nor any Subsidiary of the Company nor any ERISA Affiliate has incurred any material liability to or on account of a Plan pursuant to Section 4062, 4063, 4064, 4069, 4201, 4204 or 4212 of ERISA or Section 401(a)(29), or 4971 of the Code; no proceedings have been instituted to terminate, or to appoint a trustee to administer, any Plan other than pursuant to Section 4041(b) of ERISA; and no lien imposed under the Code or ERISA on the assets of the Company or any Subsidiary of the Company or any ERISA Affiliate exists or is likely to arise on account of any Plan. All representations made in this Section 6.10 with respect to Plans which are multiemployer plans (as defined in Section 4001(a)(3) of ERISA) shall be to the best knowledge of the Company.

SECTION 6.11. SUBSIDIARIES. Schedule 6.11 correctly sets forth, as of the Effective Date, each Material Subsidiary of the Company.

SECTION 6.12. COMPLIANCE WITH STATUTES, ETC. Each of the Company and its Subsidiaries is, to the knowledge of the Senior Financial Officers, after due inquiry, in compliance with all applicable statutes, regulations and orders of, and all applicable restrictions imposed by, all governmental bodies, domestic or foreign, in respect of the conduct of their businesses and the ownership of their property, except any such noncompliance as would not reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect.

SECTION 6.13. ENVIRONMENTAL MATTERS. (a) Each of the Company and its Subsidiaries is, to the knowledge of the Senior Financial Officers, after due inquiry, in compliance with all applicable Environmental Laws and the requirements of any permits issued under such Environmental Laws, except for any such noncompliance or failures which would not reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect.

(b) Neither the Company nor any Subsidiary has received notice to the effect that its operations are not in compliance with any of the requirements of any Environmental Law or are the subject of any governmental investigation evaluating whether any remedial action is needed to respond to release of any toxic or hazardous waste or substance into the environment, except for notices that relate to noncompliance or remedial action which would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.

SECTION 6.14. INVESTMENT COMPANY ACT. Neither the Company nor any of its Subsidiaries is an "investment company" or a company "controlled" by an "investment company" within the meaning of the Investment Company Act of 1940, as amended.

SECTION 6.15. PUBLIC UTILITY HOLDING COMPANY ACT. Neither the Company nor any of its Subsidiaries is a "holding company," or a "subsidiary company" of a "holding company," or an "affiliate" of a "holding company" or of a "subsidiary company" of a "holding company" within the meaning of the Public Utility Holding Company Act of 1935, as amended.

SECTION 6.16. PATENTS, LICENSES, FRANCHISES AND FORMULAS. Each of the Company and its Subsidiaries owns all the patents, trademarks, permits, service marks, trade names, copyrights, licenses, franchises and formulas, or rights with respect to the foregoing, or each has obtained licenses or assignments of all other rights of whatever nature necessary for the present conduct of its businesses, without any known conflict with the rights of others which, or the failure to obtain which, as the case may be, would reasonably be expected to result in a Material Adverse Effect.

SECTION 6.17. PROPERTIES. Each of the Company and its Subsidiaries has good title to all properties owned by them, free and clear of all Liens, other than as permitted by Section 8.03, except where the failure to have such good title free and clear of such Liens would not reasonably be expected to result in a Material Adverse Effect.

SECTION 6.18. LABOR RELATIONS. Neither the Company nor any of its Subsidiaries is engaged in any unfair labor practice that would reasonably be expected to have a Material Adverse Effect.

SECTION 7. AFFIRMATIVE COVENANTS.

Each Borrower covenants and agrees that on and after the Effective Date and until the Total Commitment and all Letters of Credit have terminated, and the Loans, any Unpaid Drawings and the Notes, together with interest, Fees and all other obligations incurred hereunder and thereunder, are paid in full:

SECTION 7.01. INFORMATION COVENANTS. The Company will furnish to the Administrative Agent (in sufficient quantity for each Bank):

(a) QUARTERLY FINANCIAL STATEMENTS. Within 60 days after the close of each of the first three quarterly accounting periods in each fiscal year of the Company, the consolidated balance sheet of the Company and its Subsidiaries as at the end of such quarterly accounting period and the related consolidated statements of income for such quarterly accounting period and for the elapsed portion of the fiscal year ended with the last day of such quarterly accounting period and the related consolidated statement of cash flows for the elapsed portion of the fiscal year ended with the last day of such quarterly accounting period, all of which shall be certified by the chief financial officer of the Company subject to normal year-end audit adjustments and to the fact that such financial statements may be abbreviated and may omit footnotes or contain incomplete footnotes.

(b) ANNUAL FINANCIAL STATEMENTS. Within 120 days after the close of each fiscal year of the Company, the consolidated balance sheet of the Company and its Subsidiaries as at the end of such fiscal year and the related consolidated statements of income and retained earnings and cash flows for such fiscal year, in each case reported on by independent certified public accountants of recognized national standing.

(c) OFFICER'S CERTIFICATES. At the time of the delivery of the financial statements provided for in Section 7.01 (a) and (b), a certificate of the chief financial

officer of the Company to the effect that to the best of such officer's knowledge, no Default has occurred and is continuing, or if the chief financial officer is unable to make such certification, such officer shall supply a statement setting forth the reasons for such inability, specifying the nature and extent of such reasons. Such certificate shall also set forth the calculations required to establish whether the Company was in compliance with the provisions of Sections 8.01 and 8.02, at the end of such fiscal quarter or year, as the case may be.

(d) NOTICE OF DEFAULT OR LITIGATION. Promptly, and in any event within five Business Days after a Senior Financial Officer obtains actual knowledge thereof, notice of (i) the occurrence of any event which constitutes a Default or (ii) a development or event which would reasonably be expected to have a Material Adverse Effect.

(e) OTHER REPORTS AND FILINGS. Within ten Business Days after the same are filed, copies of all reports on Forms 10-K, 10-Q, and 8-K and any amendments thereto, or successor forms, which the Company may file with the Securities Exchange Commission or any governmental agencies substituted therefor.

(f) OTHER INFORMATION. From time to time, such other information or documents (financial or otherwise) as any Bank may reasonably request.

SECTION 7.02. BOOKS, RECORDS AND INSPECTIONS. The Company will, and will cause each of its Subsidiaries to, permit officers and designated representatives of the Administrative Agent or the Required Banks, at their own expense, upon five Business Days' notice, to visit and inspect (subject to reasonable safety and confidentiality requirements) any of the properties of the Company or such Subsidiary, and to examine the books of account of the Company or such Subsidiary and discuss the affairs, finances and accounts of the Company or such Subsidiary with, and be advised as to the same by, its and their officers and independent accountants, all at such reasonable times during normal business hours and intervals and to such reasonable extent as the Administrative Agent or the Required Banks may request; PROVIDED that such Bank shall have given the Company's Chief Financial Officer or Treasurer a reasonable opportunity to participate therein in person or through a designated representative.

SECTION 7.03. MAINTENANCE OF INSURANCE. The Company will, and will cause each of its Material Subsidiaries to maintain with financially sound and reputable insurance companies (which may include captive insurers) insurance as is reasonable for the business activities of the Company and its Subsidiaries.

SECTION 7.04. CORPORATE FRANCHISES. The Company will, and will cause each of its Material Subsidiaries to, do or cause to be done, all things necessary to preserve and keep in full force and effect its existence and corporate or comparable franchises necessary or desirable in the normal conduct of its business; PROVIDED, HOWEVER, that nothing in this Section 7.04 shall prevent (i) any merger or consolidation between or among the Subsidiaries of the Company, in each case in accordance with Section 8.06, or (ii) the dissolution or liquidation of any Subsidiary of the Company or the withdrawal by the Company or any of its Subsidiaries of its qualification

to do business as a foreign corporation in any jurisdiction, if the Company determines that there is a valid business purpose for doing so.

SECTION 7.05. COMPLIANCE WITH STATUTES, ETC. The Company will, and will cause each of its Subsidiaries to, comply with all applicable statutes, regulations and orders of, and all applicable restrictions imposed by, all governmental bodies, domestic or foreign, in respect of the conduct of its business and the ownership of its property (including, without limitation, all Environmental Laws applicable to the ownership or use of Real Property now or hereafter owned or operated by the Company or any of its Subsidiaries), except where the necessity of compliance therewith is being contested in good faith and except such noncompliances as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

SECTION 7.06. ERISA. As soon as possible and, in any event, within 10 days after a Senior Financial Officer of the Company knows of the occurrence of any of the following, the Company will deliver to each of the Banks a certificate of the Chief Financial Officer of the Company setting forth details as to such occurrence and the action, if any, that the Company or a Subsidiary is required or proposes to take, together with any notices required or proposed to be given to or filed with or by the Company, the Subsidiary, the ERISA Affiliate, the PBGC, a Plan participant or the Plan administrator with respect thereto: that a Reportable Event which would reasonably be expected to result in a Material Adverse Effect has occurred; that a Plan has been or is expected to be terminated, reorganized, partitioned or declared insolvent under Title IV of ERISA; that a Plan has an Unfunded Current Liability giving rise to a lien under ERISA or the Code; that proceedings may be or have been instituted to terminate or appoint a trustee to administer a Plan pursuant to which the Company, a Subsidiary of the Company or an ERISA Affiliate will be required to contribute amounts in excess of \$20,000,000 in the aggregate in any fiscal year of the Company in order to effect such termination; that a proceeding has been instituted pursuant to Section 515 of ERISA to collect a delinquent contribution to a Plan; that the Company, any Subsidiary of the Company or any ERISA Affiliate will or is expected to incur any material liability (including any indirect, contingent or secondary liability) to or on account of the termination of or withdrawal from a Plan under Section 4062, 4063, 4064, 4069, 4201, 4204 or 4212 of ERISA or with respect to a Plan under Section 401(a)(29) or 4971 of the Code.

SECTION 7.07. PERFORMANCE OF OBLIGATIONS. The Company will, and will cause each of its Subsidiaries to, perform all of its material monetary obligations, including tax liabilities, under the terms of each mortgage, indenture, security agreement and other material agreement by which it is bound, except where the same is being contested in good faith and except such non-payments as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

SECTION 7.08. ADDITIONAL GUARANTORS. The Company shall (i) within 30 days after the delivery of the financial statements required to be delivered pursuant to Section 7.01(a) or (b) cause each Domestic Subsidiary which, directly, or indirectly, is, at the date of such financial statements, a Material Subsidiary and not already a Subsidiary Guarantor, to become a Subsidiary Guarantor hereunder and (ii) immediately upon consummation of an Acquisition cause any Acquired Entity which, directly or indirectly, is both a Domestic Subsidiary and a

Material Subsidiary, to become a Subsidiary Guarantor hereunder, in each case by executing a Subsidiary Guarantee Agreement and delivering to the Administrative Agent the documents that would have been required by Section 5.01(c) if such Subsidiary had been subject thereto on the Effective Date.

SECTION 8. NEGATIVE COVENANTS.

Each Borrower covenants and agrees that on and after the Effective Date and until the Total Commitment and all Letters of Credit have terminated, and the Loans, any Unpaid Drawings and the Notes, together with interest, Fees and all other obligations incurred hereunder and thereunder, are paid in full:

SECTION 8.01. INTEREST COVERAGE RATIO. The Company will not permit the Interest Coverage Ratio for any Test Period to be less than 3.0 to 1.0.

SECTION 8.02. LEVERAGE RATIO. The Company will not permit the Leverage Ratio to be more than 3.5 to 1.0.

SECTION 8.03. LIENS. The Company will not, and will not permit any of its Material Subsidiaries to, create, assume or suffer to exist any Lien on any asset now owned or hereafter acquired by it, except:

(a) Liens existing on the date hereof securing Indebtedness outstanding on the date hereof or incurred pursuant to Section 8.04(b), in any case identified on Schedule 8.04(b);

(b) Liens on any asset securing Indebtedness incurred or assumed after the date hereof for the purpose of financing all or any part of the cost of purchasing or constructing such asset (including any capitalized lease); PROVIDED that such Lien attaches to such asset concurrently with or within 180 days after the purchase or completion of construction thereof;

(c) any Lien on any asset of any Person existing at the time such Person becomes a Subsidiary of the Company and not created in contemplation of such event;

(d) any Lien on any asset of any Person existing at the time such Person is merged or consolidated with or into the Company or any of its Subsidiaries and not created in contemplation of such event;

(e) any Lien on any asset existing prior to the acquisition thereof by the Company or any of its Subsidiaries and not created in contemplation of such acquisition;

(f) any Lien arising out of the renewal, replacement or refunding of any Indebtedness secured by any Lien permitted by any of the foregoing clauses of this

Section, PROVIDED that such Indebtedness is not increased other than by an amount equal to any reasonable financing fees and is not secured by any additional assets;

(g) Liens created pursuant to any industrial revenue bond or similar conduit financing to secure the related Indebtedness, so long as such Lien is limited to the assets of the related project;

(h) Liens securing any obligations of any Subsidiary of the Company to a Borrower or a Subsidiary Guarantor;

(i) Liens on Accounts Receivable that are the subject of a Permitted Receivables Financing (and any related property that would ordinarily be subjected to a lien in connection therewith, such as proceeds and records);

(j) Liens for taxes, governmental assessments, charges or levies in the nature of taxes not yet due and payable, or Liens for taxes, governmental assessments, charges or levies in the nature of taxes being contested in good faith and by appropriate proceedings for which adequate reserves (in the good faith judgment of the management of the Company) have been established;

(k) Liens imposed by law, which were incurred in the ordinary course of business and do not secure indebtedness for borrowed money, such as carriers', warehousemen's, materialmen's, repairmen's and mechanic's liens and other similar Liens arising in the ordinary course of business, including, without limitation, Liens in respect of litigation claims made or filed against the Company or any of its Subsidiaries in the ordinary course of business, and (x) which do not in the aggregate materially detract from the value of such property or assets or materially impair the use thereof in the operation of the business of the Company and its Subsidiaries or (y) which are being contested in good faith by appropriate proceedings, which proceedings have the effect of preventing the forfeiture or sale of the property or assets subject to any such Lien;

(l) Permitted Encumbrances;

(m) utility deposits and pledges or deposits in connection with worker's compensation, unemployment insurance and other social security legislation, or to secure the performance of tenders, statutory obligations, surety, customs and appeal bonds, bids, leases, performance and return-of-money bonds and other similar obligations (exclusive of obligations for the payment of borrowed money);

(n) landlord's liens under leases to which the Company or any of its Subsidiaries is a party;

(o) Liens arising from precautionary UCC financing statement filings regarding operating leases; and

(p) Liens not otherwise permitted by the foregoing clauses of this Section securing Indebtedness in an aggregate principal amount outstanding at any time not exceeding the greater of \$150,000,000 and 10% of Consolidated Stockholders' Equity as at the last day of the most recently ended fiscal quarter of the Company.

SECTION 8.04. SUBSIDIARY INDEBTEDNESS. The Company will not permit any of its Material Subsidiaries to create, incur, assume or suffer to exist any Indebtedness, except:

(a) Indebtedness incurred pursuant to this Agreement and the Existing Credit Agreement;

(b) Indebtedness existing as of December 31, 2000 or incurred pursuant to commitments or lines of credit in effect as of December 31, 2000 in any case identified on Schedule 8.04(b), or any renewal, replacement or refunding thereof so long as such renewals, replacements or refundings do not increase the amount of such Indebtedness or such commitments or lines of credit in the aggregate;

(c) Indebtedness of any Person existing at the time such Person becomes a Subsidiary of the Company or is merged or consolidated into the Company or any of its Subsidiaries and not created in contemplation of such event, PROVIDED that on a pro forma basis (assuming that such event had been consummated on the first day of the most recently ended period of four fiscal quarters for which financial statements have been or are required to have been delivered pursuant to Section 7.01), the Company would have been in compliance with Sections 8.01 and 8.02 as of the last day of such period, and any renewal, replacement or refunding thereof so long as such renewal, replacement or refunding does not increase the amount of such Indebtedness;

(d) Indebtedness of a Subsidiary Guarantor;

(e) Indebtedness owed to the Company or a Subsidiary of the Company;

(f) Indebtedness secured by Liens permitted pursuant to Section 8.03(b);

(g) Indebtedness arising under a Permitted Receivables Financing;

(h) Indebtedness of Foreign Subsidiaries denominated in Euros in an aggregate principal amount at any time outstanding not exceeding Euro 250,000,000; and

(i) Indebtedness not otherwise permitted by the foregoing clauses of this Section 8.04 in an aggregate principal amount at any time outstanding not exceeding the greater of \$150,000,000 and 10% of Consolidated Stockholders' Equity as at the last day of the most recently ended fiscal quarter of the Company.

SECTION 8.05. LIMITATIONS ON ACQUISITIONS. The Company will not, and will not permit any of its Subsidiaries, to make any Material Acquisition unless (i) no Event of Default exists or would exist after giving effect to such Material Acquisition and (ii) concurrently with or before

consummation of such Material Acquisition, the Company delivers to the Administrative Agent a certificate of the Chief Financial Officer of the Company, certifying that (A) immediately upon and following the consummation of such Material Acquisition, the Company will be in compliance with Sections 8.03 and 8.04 and (B) on a pro forma basis (assuming such Material Acquisition had been consummated on the first day of the most recently ended period of four fiscal quarters for which financial statements have been or are required to have been delivered pursuant to Section 7.01, the Company would have been in compliance with Sections 8.01 and 8.02 as of the last day of such period.

SECTION 8.06. MERGERS AND CONSOLIDATIONS. The Company will not, and will not permit any Material Subsidiary to, be a party to any merger or consolidation, PROVIDED that:

(a) any Subsidiary may consolidate with or merge into the Company or another Subsidiary if in any such merger or consolidation involving the Company, the Company shall be the surviving or continuing corporation; and

(b) any Person may consolidate with or merge into the Company or any Subsidiary if (A) in any such merger or consolidation involving the Company, the Company is the surviving or continuing corporation, (B) in any such merger or consolidation involving a Subsidiary the corporation resulting from such merger or consolidation shall be a Subsidiary; and (C) at the time of such merger or consolidation and after giving effect thereto, (i) if such transaction constitutes a Material Acquisition, the Company or such Subsidiary has complied with Section 8.05 and (ii) in any event, no Event of Default shall have occurred and be continuing or would result after giving effect to such transaction.

SECTION 8.07. ASSET SALES. (a) Other than as may be permitted by Section 8.07(b), the Company will not, and will not permit any Material Subsidiary to, sell, lease, transfer or otherwise dispose of (by merger or otherwise to a Person who is not a Wholly-Owned Subsidiary) all or any part of its property if such transaction involves a substantial portion of the business of the Company and its Subsidiaries, taken as a whole. As used in this paragraph, a sale, lease, transfer or other disposition of any property of the Company or a Subsidiary shall be deemed to be a substantial portion of the business of the Company and its Subsidiaries, taken as a whole, if the property proposed to be disposed of, together with all other property previously sold, leased, transferred or disposed of (other than in the ordinary course of business and other than as part of a Permitted Receivables Financing) during the current fiscal year of the Company would exceed 10% of the Consolidated Assets as of the end of the immediately preceding fiscal year.

(b) The Company will not, and will not permit any Material Subsidiary to, sell, pledge or otherwise transfer any Accounts Receivable as a method of financing unless, after giving effect thereto the sum of (i) the aggregate uncollected balances of Accounts Receivable so transferred ("TRANSFERRED RECEIVABLES") PLUS (ii) the aggregate amount of collections on Transferred Receivables theretofore received by the seller but not yet remitted to the purchaser, in each case at the date of determination, would not exceed \$300,000,000 (a "PERMITTED RECEIVABLES FINANCING").

SECTION 8.08. BUSINESS. The Company will not, and will not permit any of its Subsidiaries to, engage in any business other than the businesses in which the Company and its subsidiaries, taken as a whole, are engaged on the Effective Date, plus extensions and expansions thereof, and businesses and activities incidental or related thereto.

SECTION 8.09. LIMITATION ON ASSET TRANSFERS TO FOREIGN SUBSIDIARIES. Neither the Company nor any Domestic Subsidiary, will convey, sell, lease, assign, transfer or otherwise dispose of (collectively, a "TRANSFER") any of its property, business or assets (including, without limitation leasehold interests), whether now owned or hereafter acquired, to any Foreign Subsidiary, except such transfers which, individually or in the aggregate, would not reasonably be expected to materially and adversely affect the business, results of operations or financial condition of the Company or of the Company and its Subsidiaries taken as a whole.

SECTION 9. EVENTS OF DEFAULT.

The occurrence of any of the following specified events shall constitute an "EVENT OF DEFAULT":

SECTION 9.01. PAYMENTS. Any Borrower shall (i) default in the payment when due of any payment of principal of its Loans or Notes or (ii) default, and such default shall continue unremedied for at least two Business Days, of any payment of interest on its Loans or Notes, of any Unpaid Drawing or any Fees owing by it hereunder or thereunder; or

SECTION 9.02. REPRESENTATIONS, ETC. Any representation, warranty or statement made by any Borrower herein or in any other Credit Document or in any certificate delivered pursuant hereto or thereto shall prove to have been, when made, untrue in any material respect; or

SECTION 9.03. COVENANTS. Any Borrower shall (i) default in the due performance or observance by it of any term, covenant or agreement contained in Sections 7.08 and/or 8 (other than Section 8.08 or 8.09) or (ii) default in the due performance or observance by it of any term, covenant or agreement (other than those referred to in Sections 9.01 and 9.02 and clause (i) of this Section 9.03 but including Sections 8.08 and 8.09) contained in this Agreement and such default described in this clause (ii) shall continue unremedied for a period of 30 days after written notice to the Company by the Administrative Agent or the Required Banks; or

SECTION 9.04. DEFAULT UNDER OTHER AGREEMENTS. (i) The Company or any of its Subsidiaries shall (x) default in any payment of any Indebtedness (other than the Notes) beyond the period of grace, if any, provided in the instrument or agreement under which such Indebtedness was created or (y) default in the observance or performance of any agreement or condition relating to any Indebtedness (other than the Notes) or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause, or to permit the holder or holders of such Indebtedness (or a trustee or agent on behalf of such holder or holders) to cause (determined without regard to whether any notice is required), any such Indebtedness to become due prior to its stated maturity or (ii) any Indebtedness of the Company or any of its Subsidiaries shall be declared to be due and payable, or required to be prepaid other than by a regularly

scheduled or other mandatory required prepayment or by reason of optional prepayment or tender by the issuer at its discretion, prior to the stated maturity thereof; PROVIDED that it shall not constitute an Event of Default pursuant to this Section 9.04 unless the aggregate amount of all Indebtedness referred to in clauses (i) and (ii) above exceeds \$20,000,000 at any one time; or

SECTION 9.05. BANKRUPTCY, ETC. The Company or any of its Material Subsidiaries shall commence a voluntary case concerning itself under Title 11 of the United States Code entitled "Bankruptcy," as now or hereafter in effect, or any successor thereto (the "BANKRUPTCY CODE"); or an involuntary case is commenced against the Company or any of its Material Subsidiaries, and the petition is not dismissed within 60 days, after commencement of the case; or a custodian (as defined in the Bankruptcy Code) is appointed for, or takes charge of, all or substantially all of the property of the Company or any of its Material Subsidiaries, or the Company or any of its Material Subsidiaries commences any other proceeding under any reorganization, arrangement, adjustment of debt, relief of debtors, dissolution, insolvency or liquidation or similar law of any jurisdiction whether now or hereafter in effect relating to the Company or any of its Material Subsidiaries, or there is commenced against the Company or any of its Material Subsidiaries any such proceeding which remains undismissed for a period of 60 days, or the Company or any of its Material Subsidiaries is adjudicated insolvent or bankrupt; or any order of relief or other order approving any such case or proceeding is entered; or the Company or any of its Material Subsidiaries suffers any appointment of any custodian or the like for it or any substantial part of its property to continue undischarged or unstayed for a period of 60 days; or the Company or any of its Material Subsidiaries makes a general assignment for the benefit of creditors; or any corporate action is taken by the Company or any of its Material Subsidiaries for the purpose of effecting any of the foregoing; or

SECTION 9.06. ERISA. (a) Any Plan shall fail to satisfy the minimum funding standard required for any plan year or part thereof or a waiver of such standard or extension of any amortization period is sought or granted under Section 412 of the Code, any Plan shall have had or is likely to have a trustee appointed to administer such Plan, any Plan is, shall have been or is likely to be terminated or to be the subject of termination proceedings under ERISA (other than 4041(b)), any Plan shall have an Unfunded Current Liability, a material contribution required to be made to a Plan has not been timely made, the Company or any Subsidiary of the Company or any ERISA Affiliate has incurred or is likely to incur a liability to or on account of a Plan under Section 515, 4062, 4063, 4064, 4069, 4201, 4204 or 4212 of ERISA or Section 401(a)(29), or 4971 of the Code; (b) there shall result from any such event or events the imposition of a lien, the granting of a security interest, or a liability, involving in any case in excess of \$20,000,000; and (c) which lien, security interest or liability, would reasonably be expected to have a Material Adverse Effect; or

SECTION 9.07. JUDGMENTS. One or more judgments or decrees shall be entered against the Company or any of its Material Subsidiaries involving in the aggregate for the Company and its Material Subsidiaries a liability (not paid or fully covered by insurance) of \$20,000,000 or more, and all such judgments or decrees shall not have been vacated, discharged or stayed or bonded pending appeal within 30 days from the entry thereof; or

SECTION 9.08. GUARANTY. The Guaranty or any provision thereof shall cease to be in full force or effect, or any Guarantor or any Person acting by or on behalf of any Guarantor shall deny or disaffirm such Guarantor's obligations under the Guaranty; or

SECTION 9.09. CHANGE OF CONTROL. A Change of Control shall occur.

If an Event of Default has occurred and is continuing, the Administrative Agent shall upon the written request of the Required Banks, by written notice to the Company, take any or all of the following actions, without prejudice to the rights of the Administrative Agent, any Bank or the holder of any Note to enforce its claims against any Borrower (PROVIDED, that, if an Event of Default specified in Section 9.05 shall occur with respect to any Borrower, the result which would occur upon the giving of written notice by the Administrative Agent to the Company as specified in clauses (i), (ii) and (v) below shall occur automatically without the giving of any such notice): (i) declare the Total Commitment terminated, whereupon the Commitment of each Bank shall forthwith terminate immediately and any Facility Fee and other Fees shall forthwith become due and payable without any other notice of any kind; (ii) declare the principal of and any accrued interest in respect of all Loans and the Notes and all obligations owing hereunder and thereunder to be, whereupon the same shall become, forthwith due and payable without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrowers; (iii) terminate any Letter of Credit which may be terminated in accordance with its terms; (iv) direct the Company to pay (and the Company agrees that upon receipt of such notice, or upon the occurrence of an Event of Default specified in Section 9.05 in respect of the Company, it will pay) to the Administrative Agent at its Payment Office such additional amounts of cash, to be held as security for the Company's reimbursement obligations for Drawings that may subsequently occur under outstanding Letters of Credit thereunder, equal to the aggregate Stated Amount of all Letters of Credit issued and then outstanding; and (v) apply any cash collateral as provided in Section 4.02(a).

SECTION 10. DEFINITIONS AND ACCOUNTING TERMS.

SECTION 10.01. DEFINED TERMS. As used in this Agreement, the following terms shall have the following meanings (such meanings to be equally applicable to both the singular and plural forms of the terms defined):

"ABSOLUTE RATE BID LOAN" means a Bid Loan in connection with which the rates of interest offered by the Banks pursuant to Section 1.04 shall be Absolute Rates per annum and with a term of 1 to 180 days.

"ABSOLUTE RATES" shall have the meaning provided in Section 1.04(a).

"ACCOUNTS RECEIVABLE" shall mean, with respect to any Person, all rights of such Person to the payment of money arising out of any sale, lease or other disposition of goods or provision of services by such Person.

"ACQUIRED ENTITIES" shall mean any Person that becomes a Subsidiary as a result of an Acquisition.

"ACQUISITION" means (i) an investment by the Company or any of its Subsidiaries in any Person (other than the Company or any of its Subsidiaries) pursuant to which such Person shall become a Subsidiary or shall be merged into or consolidated with the Company or any of its Subsidiaries or (ii) an acquisition by the Company or any of its Subsidiaries of the property and assets of any Person (other than the Company or any of its Subsidiaries) that constitutes substantially all of the assets of such Person or any division or line or business of such Person.

"ADMINISTRATIVE AGENT" shall mean Bank of America, N.A., in its capacity as Administrative Agent for the Banks hereunder, and shall include any successor to the Administrative Agent appointed pursuant to Section 11.09.

"AFFILIATE" shall mean, with respect to any Person, any other Person (i) directly or indirectly controlling (including, but not limited to, all directors and officers of such Person), controlled by, or under direct or indirect common control with, such Person or (ii) that directly or indirectly owns more than 5% of the voting securities of such Person. A Person shall be deemed to control another Person if such Person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of, such other Person, whether through the ownership of voting securities, by contract or otherwise.

"AGENT-RELATED PERSONS" shall mean the Administrative Agent (including any successor administrative agent), together with its Affiliates (including, in the case of Bank of America in its capacity as Administrative Agent, the Arranger), and the officers, directors, employees, agents and attorneys-in-fact of such Persons and Affiliates.

"AGREEMENT" shall mean this Global Revolving Credit Agreement, as modified, supplemented, amended, restated, extended, renewed or replaced from time to time.

"APPLICABLE CREDIT RATING" at any time shall mean (i) the Moody's Credit Rating at such time and the S&P Credit Rating at such time, if such Credit Ratings are the same, or (ii) if the Moody's Credit Rating and the S&P Credit Rating differ by one level (it being understood that a rating level shall include numerical modifiers and (+) and (-) modifiers), the Applicable Credit Rating shall be the higher of the two Credit Ratings or (iii) if the Moody's Credit Rating and the S&P Credit Rating differ by more than one level or if there is no Moody's Credit Rating or S&P Credit Rating, the Applicable Credit Rating shall be the Credit Rating that is one level lower than the higher of the two Credit Ratings or one level below the remaining Credit Rating. If any Credit Rating shall be changed by Moody's or S&P, such change shall be effective for purposes of this definition as of the Business Day following such change. Any change in the Applicable Credit Rating shall apply during the period beginning on the effective date of such change and ending on the date immediately preceding the effective date of the next such change.

"APPLICABLE MARGIN" shall mean, for any day, the rate per annum set forth below opposite the Applicable Rating Period then in effect:

APPLICABLE RATING PERIOD	RATE
Category A Period	.700%
Category B Period	.800%
Category C Period	.950%
Category D Period	1.150%
Category E Period	1.350%
Category F Period	1.950%

PROVIDED, that for each day the sum of the outstanding principal amount of the Loans, Unpaid Drawings, and the Stated Amount of all Letters of Credit outstanding exceeds 50% of the Total Commitment, the Applicable Margin shall be increased by 0.25% per annum.

"APPLICABLE RATING PERIOD" shall mean, subject to the terms and conditions set forth below, the period set forth below then in effect:

APPLICABLE RATING PERIOD	CRITERIA
CATEGORY A PERIOD	The Applicable Credit Rating is A- or higher (to the extent based on a S&P Credit Rating) or A3 or higher (to the extent based on a Moody's Credit Rating).
CATEGORY B PERIOD	The Applicable Credit Rating is BBB+ (to the extent based on a S&P Credit Rating) or Baa1 (to the extent based on a Moody's Credit Rating) and a Category A Period is not then in effect.
CATEGORY C PERIOD	The Applicable Credit Rating is BBB (to the extent based on a S&P Credit Rating) or Baa2 (to the extent based on a Moody's Credit Rating) and neither a Category A Period nor a Category B Period is then in effect.
CATEGORY D PERIOD	The Applicable Credit Rating is BBB- (to the extent based on a S&P Credit Rating) or Baa3 (to the extent based on a Moody's Credit Rating) neither a Category A Period, Category B Period nor a Category C Period is in effect.
CATEGORY E PERIOD	The Applicable Credit Rating is BB+ (to the extent based on a S&P Credit Rating) or Ba1 (to the extent based on a Moody's Credit Rating) and in either case neither a Category A Period, Category B Period, Category C Period nor Category D Period is then in effect.

CATEGORY F PERIOD

The Applicable Credit Rating is BB or lower (to the extent based on a S&P Credit Rating) or Ba2 or lower (to the extent based on a Moody's Credit Rating) and neither a Category A Period, Category B Period, Category C Period, Category D Period nor Category E Period is then in effect.

"ARRANGER" shall mean Banc of America Securities LLC, in its capacity as sole lead arranger and sole book manager.

"ASSIGNMENT AND ASSUMPTION AGREEMENT" shall mean the Assignment and Assumption Agreement substantially in the form of Exhibit G (appropriately completed).

"BANK" shall mean each financial institution listed in Schedule 1.01, as well as any Person which becomes a "Bank" hereunder pursuant to Section 13.04.

"BANK DEFAULT" shall mean (i) the refusal (which has not been retracted) of a Bank to make available its portion of any Borrowing (including any Mandatory Borrowing) or to fund its portion of any unreimbursed payment under Section 2.04(c) or (ii) a Bank having notified in writing the Company and/or the Administrative Agent that it does not intend to comply with its obligations under Section 1.01(a), (b) or (c) or Section 2, in the case of either clause (i) or (ii) as a result of any takeover of such Bank by any regulatory authority or agency.

"BANK OF AMERICA" shall mean Bank of America, N.A. in its individual capacity.

"BANKRUPTCY CODE" shall have the meaning provided in Section 9.05.

"BASE RATE" at any time shall mean (i) for Loans denominated in Dollars, the higher of (x) the rate which is 1/2 of 1% in excess of the Federal Funds Rate and (y) the Prime Lending Rate as in effect from time to time and (ii) for Swingline Loans denominated in Canadian Dollars, the rate of interest per annum established by the CAD Swingline Lender from time to time as the reference rate of interest for determination of interest rates that the CAD Swingline Lender charges to customers of varying degrees of creditworthiness in Canada for Canadian Dollar loans made by the CAD Swingline Lender in Canada.

"BASE RATE LOANS" shall mean any Loan designated as such by the respective Borrower at the time of the incurrence thereof or conversion thereto.

"BID BORROWING" shall mean a Borrowing consisting of simultaneous Bid Loans from each of the Banks whose offer to make one or more Bid Loans as part of such Borrowing has been accepted by the Company under the procedure described in Section 1.04.

"BID LOAN" shall mean a Loan by a Bank to the Company as part of a Bid Borrowing.

"BID NOTE" shall have the meaning provided in Section 1.06(b).

"BID RATE MARGINS" shall have the meaning provided in Section 1.04(a).

"BORROWER" shall have the meaning provided in the first paragraph of this Agreement.

"BORROWING" shall mean (i) the borrowing by a Borrower of one Type of Loan on a given date (or resulting from a conversion or conversions on such date) having in the case of Eurocurrency Loans the same Interest Period, PROVIDED that Base Rate Loans incurred pursuant to Section 1.11(b) shall be considered part of the related Borrowing of Eurocurrency Loans and (ii) the borrowing by the Company of Swingline Loans from the applicable Swingline Lender on a given date.

"BUSINESS DAY" shall mean (i) for all purposes other than as covered by clauses (ii), (iii) or (iv) below, any day except Saturday, Sunday and any day which shall be in New York City a legal holiday or a day on which banking institutions are authorized or required by law or other government action to close, (ii) with respect to all notices and determinations in connection with, and payments of principal and interest on, Eurocurrency Loans denominated in Dollars or a Eurocurrency, any day which is a Business Day described in clause (i) above and which is also a day for trading by and between banks in the London interbank Eurocurrency market and if such day relates to any Eurocurrency Loan denominated in the Euro, a TARGET Day, (iii) with respect to all notices and determinations in connection with, and payments of principal and interest on, Local Currency Loans or Eurocurrency Loans denominated in a Local Currency, any day which is a Business Day described in clause (i) above and on which banks and foreign exchange markets are open for business in the city where disbursements of or payments on such Loan are to be made and (iv) with respect to all notices and determinations in connection with, and payments of principal and interest on, Swingline Loans denominated in Canadian Dollars, any day which is a Business Day described in clause (i) above and which is a day on which banking institutions are not authorized or required by law or other government action to close in Toronto, Canada.

"CAD SWINGLINE LENDER" shall mean such Canadian financial institution, if any, designated by the Company and reasonably acceptable to the Administrative Agent that agrees to act as the CAD Swingline Lender hereunder pursuant to such documentation as may be reasonably requested by the Administrative Agent.

"CAD SWINGLINE LOAN" shall mean any loan or loans made by the CAD Swingline Lender pursuant to Section 1.01(b).

"CAD OFFERED RATE LOAN" shall have the meaning provided in Section 1.01(b).

"CANADIAN DOLLARS" shall mean freely transferable lawful money of Canada.

"CAPITAL LEASES" shall mean at any date any lease of property which, in accordance with generally accepted accounting principles, would be required to be capitalized on the balance sheet of the lessee.

"CHANGE OF CONTROL" shall mean (i) any "Person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act), excluding an employee benefit or stock ownership plan of the Company, is or shall become the "beneficial owner" (as defined in

Rules 13(d)-3 and 13(d)-5 under the Exchange Act), directly or indirectly, of 50% or more on a fully diluted basis of the voting stock of the Company or shall have the right to elect a majority of the directors of the Company or (ii) the Board of Directors of the Company shall cease to consist of a majority of Continuing Directors.

"CODE" shall mean the Internal Revenue Code of 1986, as amended from time to time and the regulations promulgated and rulings issued thereunder. Section references to the Code are to the Code, as in effect at the date of this Agreement, and to any subsequent provisions of the Code amendatory thereof, supplemental thereto or substituted therefor.

"COMMITMENT" of any Bank shall mean its Revolving Loan Commitment and its Local Currency Commitments.

"COMMITMENT AMOUNT INCREASE" shall have the meaning provided in Section 1.17.

"COMMITMENT AMOUNT INCREASE REQUEST" means a Commitment Amount Increase Request in the form of Exhibit N hereto.

"COMPANY" shall have the meaning provided in the first paragraph of this Agreement.

"CONSOLIDATED ASSETS" shall mean, at any date, the total assets of the Company and its Subsidiaries as at such date in accordance with GAAP.

"CONSOLIDATED DEBT" shall mean, at any time, all Indebtedness (other than Contingent Obligations) of the Company and its Subsidiaries determined on a consolidated basis.

"CONSOLIDATED INTEREST EXPENSE" for any period shall mean total interest expense (including amounts properly attributable to interest with respect to capital leases in accordance with generally accepted accounting principles and amortization of debt discount and debt issuance costs) of the Company and its Subsidiaries on a consolidated basis for such period.

"CONSOLIDATED LIABILITIES" shall mean, at any date, the sum of all liabilities of the Company and its Subsidiaries as at such date in accordance with GAAP, PROVIDED that the Convertible Preferred Stock shall not be a liability.

"CONSOLIDATED STOCKHOLDERS' EQUITY" shall mean, at any date, the remainder of (a) Consolidated Assets as at such date, minus (b) Consolidated Liabilities as at such date.

"CONTINGENT OBLIGATION" shall mean, as to any Person, any obligation of such Person guaranteeing any Indebtedness ("PRIMARY OBLIGATIONS") of any other Person (the "PRIMARY OBLIGOR") in any manner, whether directly or indirectly, including, without limitation, any obligation of such Person, whether or not contingent, (i) to purchase any such primary obligation or any property constituting direct or indirect security therefor, (ii) to advance or supply funds (x) for the purchase or payment of any such primary obligation or (y) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor, (iii) to purchase property, securities or services primarily for the purpose of

assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation or (iv) otherwise to assure or hold harmless the holder of such primary obligation against loss in respect thereof; PROVIDED, HOWEVER, that the term Contingent Obligation shall not include endorsements of instruments for deposit or collection in the ordinary course of business. The amount of any Contingent Obligation shall be deemed to be an amount equal to the amount such Person guarantees but in any event not more than the stated or determinable amount of the primary obligation in respect of which such Contingent Obligation is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof (assuming such Person is required to perform thereunder) as determined by such Person in good faith.

"CONTINUING DIRECTORS" shall mean the directors of the Company on the Effective Date and each other director, if such director's nomination for election to the Board of Directors of the Company is recommended by a majority of the then Continuing Directors.

"CONVERTIBLE PREFERRED STOCK" shall mean the series A preferred stock of the Company.

"CREDIT DOCUMENTS" shall mean this Agreement, and once executed and delivered pursuant to the terms of this Agreement, each Note, each Letter of Credit Request, each Notice of Borrowing, each Notice of Conversion, each Letter of Credit, all Local Currency Documentation, each Notice of Bid Borrowing and each Subsidiary Guarantee Agreement.

"CREDIT EVENT" shall mean (i) the occurrence of the Effective Date and (ii) the making of any Loan or the issuance of any Letter of Credit.

"CREDIT RATING" shall mean the Moody's Credit Rating or the S&P Credit Rating.

"CREDITORS" shall mean and include the Administrative Agent, each Bank and the Issuing Agent.

"CRYOVAC" shall have the meaning provided in the first paragraph of this Agreement.

"DEFAULT" shall mean any Event of Default or event, act or condition which with notice or lapse of time, or both, would constitute an Event of Default.

"DISTRIBUTION AGREEMENT" shall have the same meaning herein as in the Merger Agreement.

"DOLLARS" and the sign "\$" shall each mean freely transferable lawful money of the United States (expressed in dollars).

"DOMESTIC SUBSIDIARY" shall mean any Subsidiary of the Company other than a Foreign Subsidiary.

"DRAWING" shall have the meaning provided in Section 2.05(b).

"EBITDA" for any period shall mean the consolidated net income (or loss) of the Company and its Subsidiaries for such period, adjusted by adding thereto (or subtracting in the case of a gain) the following amounts to the extent deducted or included, as applicable, when calculating consolidated net income (a) Consolidated Interest Expense, (b) income taxes, (c) any extraordinary gains or losses, (d) gains or losses from sales of assets (other than from sales of inventory in the ordinary course of business), (e) all amortization of goodwill and other intangibles, (f) depreciation, (g) all non-cash contributions or accruals to or with respect to deferred profit sharing or compensation plans, and (h) any non-cash gains or losses resulting from the cumulative effect of changes in accounting principles; PROVIDED that there shall be included in such determination for such period all such amounts attributable to any Acquired Entity acquired during such period pursuant to an Acquisition to the extent not subsequently sold or otherwise disposed of during such period for the portion of such period prior to such Acquisition; PROVIDED further that any amounts added to consolidated net income pursuant to clause (g) above for any period shall be deducted from consolidated net income for the period, if ever, in which such amounts are paid in cash by the Company or any of its Subsidiaries.

"EFFECTIVE DATE" shall have the meaning provided in Section 13.10.

"ELECTION TO BECOME A SUBSIDIARY BORROWER" shall mean an Election to Become a Subsidiary Borrower in the form of Exhibit H, which shall be executed by each Subsidiary Borrower in accordance with Section 5.03.

"ELIGIBLE TRANSFEREE" shall mean and include a commercial bank or financial institution.

"ENVIRONMENTAL CLAIMS" shall mean any and all administrative, regulatory or judicial actions, suits, demand letters, claims, liens, notices of non-compliance or violation, investigations or proceedings relating in any way to any violation (or alleged violation) by the Company or any of its Subsidiaries under any Environmental Law (hereafter "CLAIMS") or any permit issued under any such law, including, without limitation, (a) any and all Claims by governmental or regulatory authorities for enforcement, cleanup, removal, response, remedial or other actions or damages pursuant to any applicable Environmental Law, and (b) any and all Claims by any third party seeking damages, contribution, indemnification, cost recovery, compensation or injunctive relief resulting from Hazardous Materials or arising from alleged injury or threat of injury to the environment.

"ENVIRONMENTAL LAW" shall mean any federal, state or local statute, law, rule, regulation, ordinance, code, policy or rule of common law now or hereafter in effect and in each case as amended, and any judicial or administrative interpretation thereof, including any judicial or administrative order, consent, decree or judgment, relating to the environment or Hazardous Materials.

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended from time to time and the regulations promulgated and rulings issued thereunder. Section references to ERISA are to ERISA, as in effect at the date of this Agreement and any subsequent provisions of ERISA, amendatory thereof, supplemental thereto or substituted therefor.

"ERISA AFFILIATE" shall mean each person (as defined in Section 3(9) of ERISA) which together with the Company or any of its Subsidiaries would be deemed to be a "single employer" (i) within the meaning of Section 414(b), (c), (m) and (o) of the Code or (ii) as a result of the Company or any of its Subsidiaries being or having been a general partner of such person.

"EURO" shall mean the currency of participating member states of the European Union that adopt a single currency in accordance with the Treaty on European Union signed February 7, 1992.

"EUROCURRENCY" means any of Australian Dollars, Belgian Francs, Canadian Dollars, Deutsche Marks, Dollars, Dutch Guilders, Euros, French Francs, Italian Lire, Japanese Yen, British Pounds Sterling, Spanish Pesetas, and any other currency approved by the Administrative Agent and the Banks, in each case for so long as such currency is freely transferable and convertible to Dollars and is available to the Required Banks.

"EUROCURRENCY LOAN" shall mean any Loan designated as such by the requesting Borrower at the time of the incurrence thereof or conversion thereto.

"EUROCURRENCY RATE" shall mean the offered quotation to first-class banks in the London interbank eurocurrency market by Bank of America for deposits of amounts in Dollars or the relevant Eurocurrency, as appropriate, in immediately available funds comparable to, in the case of a Borrowing of Revolving Loans, the principal amount of the Eurocurrency Loan of Bank of America for which the Eurocurrency Rate is being determined or, in the case of a Eurodollar Rate Bid Loan, the principal amount of the Bid Rate Loan for which the Eurocurrency Rate is being determined, with maturities comparable to, in the case of a Borrowing of Revolving Loans, the Interest Period applicable to such Eurocurrency Loan or, in the case of a Eurodollar Rate Bid Loan, the maturity date thereof, as of 11:00 A.M. (London time) on the date which is two Business Days prior to the commencement of such Interest Period or the date of making such Eurodollar Bid Rate Loan, as the case may be.

"EURODOLLAR RATE BID LOAN" means a Bid Loan in connection with which Bid Rate Margins and the Eurocurrency Rate shall be the basis used by the Banks in determining the rates of interest to be offered by them pursuant to Section 1.04 and with a term of 1, 2, 3 or 6 months.

"EUROCURRENCY RESERVE PERCENTAGE" shall mean the then stated maximum rate of all reserve requirements (including, without limitation, any marginal, emergency, supplemental, special or other reserves required by applicable law) applicable to any member bank of the Federal Reserve System in respect of eurocurrency funding or liabilities as defined in Regulation D (or any successor category of liabilities under Regulation D).

"EVENT OF DEFAULT" shall have the meaning provided in Section 9.

"EXCHANGE ACT" shall mean the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

"EXISTING CREDIT AGREEMENT" shall mean the Global Revolving Credit Agreement (5-Year) dated as of March 30, 1998 among the Company, each Subsidiary Borrower party thereto, the Company and certain Domestic Subsidiaries, as guarantors, the banks party thereto from time to time, ABN AMRO Bank N.V., as Administrative Agent, Bankers Trust Company, as Documentation Agent and Bank of America, N.A., as Syndication Agent, as amended from time to time.

"FACILITY FEE" shall have the meaning provided in Section 3.01(a).

"FEDERAL FUNDS RATE" shall mean for any period, a fluctuating interest rate equal for each day during such period to the weighted average of the rates on overnight Federal Funds transactions with members of the Federal Reserve System arranged by Federal Funds brokers, as published for such day (or, if such day is not a Business Day, for the next preceding Business Day) by the Federal Reserve Bank of New York, or, if such rate is not so published for any day which is a Business Day, the average of the quotations for such day on such transactions received by the Administrative Agent from three Federal Funds brokers of recognized standing selected by the Administrative Agent.

"FEES" shall mean all amounts payable pursuant to or referred to in Section 3.01.

"FINAL MATURITY DATE" shall mean March 22, 2002.

"FIXED RATE LOANS" shall mean Bid Loans, Eurocurrency Loans and Offered Rate Loans.

"FOREIGN SUBSIDIARY" shall mean (i) each Subsidiary of the Company not incorporated under the laws of the United States or of any State thereof and (ii) any other Subsidiary of the Company substantially all of the operations of which remain outside the United States.

"GUARANTEED OBLIGATIONS" shall mean the full and prompt payment when due (whether at the stated maturity, by acceleration or otherwise) of the principal and interest on each Note and Loan made under this Agreement, together with all the other obligations and liabilities (including, without limitation, indemnities, fees and interest thereon) of the Company and each Subsidiary Borrower to the Administrative Agent and the Banks now existing or hereafter incurred under, arising out of or in connection with this Agreement or any other Credit Document to which the Company or any Subsidiary Borrower is a party and the due performance and compliance with all the terms, conditions and agreements contained in such Credit Documents by the Company and each Subsidiary Borrower.

"GUARANTOR" shall mean the Company or a Subsidiary Guarantor.

"GUARANTORS" shall mean the Company and each Subsidiary Guarantor.

"GUARANTY" shall mean the Guaranty of the Company and the Subsidiary Guarantors set forth in Section 12.

"HAZARDOUS MATERIALS" shall mean (a) any petrochemical or petroleum products, radioactive materials, asbestos in any form that is or could become friable, urea formaldehyde foam insulation, transformers or other equipment that contain dielectric fluid containing levels of polychlorinated biphenyls, and radon gas; and (b) any chemicals, materials or substances defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "restricted hazardous materials," "extremely hazardous wastes," "restrictive hazardous wastes," "toxic substances," "toxic pollutants," "contaminants" or "pollutants," or words of similar meaning and regulatory effect under any applicable Environmental Law.

"INDEBTEDNESS" of any Person means, at any date, without duplication, (i) all obligations of such Person for borrowed money, (ii) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments, (iii) all obligations of such Person to pay the deferred purchase price of property or services (except trade accounts payable and accrued expenses arising in the ordinary course of business) to the extent such amounts would in accordance with GAAP be recorded as debt on a balance sheet of such Person, (iv) all obligations of such Person as lessee which are capitalized in accordance with GAAP, (v) all non-contingent obligations of such Person to reimburse any bank or other Person in respect of amounts paid under a letter of credit (other than letters of credit which secure obligations in respect of trade payables or other letters of credit not securing Indebtedness, unless such reimbursement obligation remains unsatisfied for more than 3 Business Days), (vi) all Indebtedness secured by a Lien on any asset of such Person, whether or not such Indebtedness is otherwise an obligation of such Person, and (vii) all Contingent Obligations of such Person MINUS the portion of such Contingent Obligation which is secured by a letter of credit naming such Person as beneficiary issued by a bank which, at the time of the issuance (or any renewal or extension) of such Letter of Credit has a long term senior unsecured indebtedness rating of at least A by S&P or A2 by Moody's.

"INTEREST COVERAGE RATIO" for any period shall mean the ratio of EBITDA to the sum of (i) Consolidated Interest Expense for such period and (ii) the aggregate principal amount of dividends paid or accrued on the Company's preferred stock during such period.

"INTEREST DETERMINATION DATE" shall mean, with respect to any Eurocurrency Loan, the Business Day established in accordance with market custom and practice in the Eurocurrency market, as determined by the Administrative Agent (it being agreed that such date is the second Business Day) prior to the commencement of any Interest Period relating to such Eurocurrency Loan for Dollars and all Local Currencies (other than Pound Sterling) and the first day of such Interest Period for Pounds Sterling).

"INTEREST PERIOD" shall have the meaning provided in Section 1.10.

"ISSUING AGENT" shall mean Bank of America, N.A. in its capacity as issuer of the Letters of Credit and, if Bank of America shall cease to be a Bank hereunder, such Bank which has agreed with the Company to act as issuer of the Letters of Credit.

"JUDGMENT CURRENCY" shall have the meaning provided in Section 13.17.

"JUDGMENT CURRENCY CONVERSION DATE" shall have the meaning provided in Section 13.17.

"LETTER OF CREDIT" shall have the meaning provided in Section 2.01(a).

"LETTER OF CREDIT FEE" shall have the meaning provided in Section 3.01(b).

"LETTER OF CREDIT OUTSTANDINGS" shall mean, at any time, the sum of (i) the aggregate Stated Amount of all outstanding Letters of Credit and (ii) the aggregate amount of all Unpaid Drawings.

"LETTER OF CREDIT REQUEST" shall have the meaning provided in Section 2.03(a).

"LEVERAGE RATIO" shall mean, at any time, the ratio of Consolidated Debt at such time to EBITDA for the Test Period last ended.

"LIEN" shall mean any mortgage, pledge, hypothecation, encumbrance, lien (statutory or other) or other security agreement of any kind or nature whatsoever (including, without limitation, any conditional sale or other title retention agreement and any Capital Lease.

"LOAN" shall mean any Revolving Loan, Bid Loan, Swingline Loan or Local Currency Loan.

"LOCAL AFFILIATE" means any Affiliate of a Bank who has executed a Local Currency Designation and Assignment Agreement and as to which such Bank has not delivered a notice terminating such designation.

"LOCAL CURRENCY" shall mean any currency in which a Bank has agreed to extend a Local Currency Commitment.

"LOCAL CURRENCY ADDENDUM" means a Local Currency Addendum in the form of Exhibit I hereto and shall be executed by a Subsidiary Borrower (if applicable), the Company, a Bank and the Administrative Agent which, among other things, specifies the Local Currency Commitment designated in Dollars which such Bank is willing to provide, the applicable country and currency in which Local Currency Loans made pursuant to such Local Currency Commitment will be made available, the interest rate and margin applicable to such Local Currency Loans, the fees which will accrue on such Local Currency Commitment and such other borrowing mechanics as may be applicable.

"LOCAL CURRENCY COMMITMENT" means, for any Bank or any Local Affiliate, the amount specified in the applicable Local Currency Documentation, as the same may be adjusted from time to time pursuant to Section 1.01(d) and the applicable Local Currency Documentation.

"LOCAL CURRENCY DESIGNATION AND ASSIGNMENT AGREEMENT" means a Local Currency Designation and Assignment Agreement in the form of Exhibit J hereto and shall be executed by the Company, a Subsidiary Borrower (if applicable), a Bank, such Bank's Local Affiliate and the

Administrative Agent which, among other things, specifies such Local Affiliate's Local Currency Commitment designated in Dollars, the applicable country and currency in which Local Currency Loans made pursuant to such Local Currency Commitment will be made available, the interest rate and margin applicable to such Local Currency Loans, the fees which will accrue on such Local Currency Commitment and such other borrowing mechanics as may be applicable.

"LOCAL CURRENCY DOCUMENTATION" means, in the case of a Bank providing a Local Currency Commitment, a Local Currency Addendum and in the case of a Local Affiliate providing a Local Currency Commitment, a Local Currency Designation and Assignment Agreement, and any documents executed in connection therewith.

"LOCAL CURRENCY LOAN" shall have the meaning provided in Section 1.01(d)(ii).

"LOCAL CURRENCY NOTE" shall have the meaning provided in Section 1.06(b).

"MANDATORY BORROWINGS" shall have the meaning provided in Section 1.01(c).

"MARGIN STOCK" shall have the meaning provided in Regulation U of the Board of Governors of the Federal Reserve System.

"MATERIAL ADVERSE EFFECT" means a material adverse effect on the business, results of operations, or financial condition of the Company and its Subsidiaries, taken as a whole.

"MATERIAL ACQUISITION" means an Acquisition in which the aggregate purchase price paid in cash or property (other than property consisting of equity shares or interests or other equivalents of corporate stock of, or partnership or other ownership interests in, the Company), equals or exceeds 10% of the sum (calculated without giving effect to such Acquisition) of (i) Consolidated Debt (determined as at the end of the most recently ended fiscal quarter of the Company), PLUS (ii) Consolidated Stockholders' Equity (determined as at the end of the then most recently ended fiscal quarter of the Company), PLUS (iii) any increase thereof attributable to any equity offerings or issuances of capital stock occurring subsequent to the end of such fiscal quarter and before any such purchase or acquisition.

"MATERIAL SUBSIDIARY" means any Borrower and any other Subsidiary that, directly or indirectly through a Subsidiary, either (A) owns assets with a book value in excess of 2% of the book value of the Consolidated Assets measured as of the last day of the most recently completed fiscal quarter for which financial statements have been delivered pursuant to Section 7.01(a) or (b) or (B) generated annual revenues in excess of 2% of the revenues of the Company and its Subsidiaries, taken as a whole, for the most recently completed four fiscal quarter period for which financial statements have been delivered pursuant to Section 7.01(a) or (b) (determined in each case, if a Material Acquisition occurs, on a PRO FORMA basis assuming such Material Acquisition had been consummated on the first day of the most recently ended four fiscal quarter period).

"MAXIMUM SWINGLINE AMOUNT" shall mean \$10,000,000.

"MERGER AGREEMENT" shall mean the Agreement and Plan of Merger dated as of August 14, 1997 among the Company, Packco Acquisition Corp. and Sealed Air Corporation (US) (formerly known as Sealed Air Corporation), as amended.

"MOODY'S" shall mean Moody's Investors Service, Inc.

"MOODY'S CREDIT RATING" shall mean the rating level (it being understood that a rating level shall include numerical modifiers and (+) and (-) modifiers) assigned, whether express or indicative, by Moody's to the Company's senior unsecured long-term debt, PROVIDED that in the event that no senior unsecured long-term debt of the Company is rated by Moody's, there shall be no Moody's Credit Rating.

"NON-U.K. BANK" shall have the meaning provided in Section 4.04(c).

"NOTE" shall mean and include each Revolving Note, Bid Note, Swingline Note and each Local Currency Note.

"NOTICE OF BID BORROWING" shall have the meaning provided in Section 1.04(a)(i).

"NOTICE OF BORROWING" shall have the meaning provided in Section 1.03(a).

"NOTICE OF CONVERSION" shall have the meaning provided in Section 1.07.

"NOTICE OFFICE" shall mean the office of the Administrative Agent located at 101 North Tryon Street, Charlotte, NC 28255, Attention: Agency Services, or such other office as the Administrative Agent may hereafter designate in writing as such to the other parties hereto.

"NYSE" shall mean The New York Stock Exchange.

"OBLIGATIONS" shall mean all amounts owing to the Administrative Agent or any Bank pursuant to the terms of this Agreement or any other Credit Document.

"OBLIGATION CURRENCY" shall have the meaning provided in Section 13.17.

"OFFERED RATE LOAN" shall mean any USD Offered Rate Loan and any CAD Offered Rate Loan.

"ORIGINAL DOLLAR AMOUNT" means the amount of any Obligation denominated in Dollars and, in relation to any Loan denominated in a currency other than Dollars, the U.S. Dollar Equivalent of such Loan on the day it is advanced or continued for an additional Interest Period.

"PARTICIPANT" shall have the meaning provided in Section 2.04(a).

"PAYMENT OFFICE" shall mean the office of the Administrative Agent located at 101 North Tryon Street, Charlotte, NC 28255, or such other office as the Administrative Agent may hereafter designate in writing as such to the other parties hereto.

"PBGC" shall mean the Pension Benefit Guaranty Corporation established pursuant to Section 4002 of ERISA or any successor thereto.

"PERCENTAGE" of any Bank at any time shall mean a fraction (expressed as a percentage) the numerator of which is the Revolving Loan Commitment of such Bank at such time and the denominator of which is the Total Revolving Loan Commitment at such time; PROVIDED, that if the Percentage of any Bank is to be determined after the Total Revolving Loan Commitment has been terminated, then the Percentages of the Banks shall be determined immediately prior (and without giving effect) to such termination.

"PERMITTED ENCUMBRANCES" shall mean as of any particular time, (i) such easements, leases, subleases, encroachments, rights of way, minor defects, irregularities or encumbrances on title which are not unusual with respect to property similar in character to any such Real Property and which do not secure Indebtedness and do not materially impair such Real Property for the purpose for which it is held or materially interfere with the conduct of the business of the Company or any of its Subsidiaries and (ii) municipal and zoning ordinances, which are not violated by the existing improvements and the present use made by the Company or any of its Subsidiaries of such Real Property.

"PERMITTED RECEIVABLES FINANCING" shall have the meaning provided in Section 8.07(b).

"PERSON" shall mean any individual, partnership, joint venture, firm, corporation, association, trust or other enterprise or any government or political subdivision or any agency, department or instrumentality thereof.

"PLAN" shall mean any multiemployer or single-employer plan subject to Title IV of ERISA which is maintained or contributed to by (or to which there is an obligation to contribute to) the Company or a Subsidiary of the Company or an ERISA Affiliate, and each such plan for the five-year period immediately following the latest date on which the Company or a Subsidiary of the Company or an ERISA Affiliate maintained, contributed to or had an obligation to contribute to such plan.

"PRIME LENDING RATE" shall mean the rate which Bank of America publicly announces from time to time as its "PRIME RATE." Such rate is a rate set by Bank of America based upon various factors including Bank of America's costs and desired return, general economic conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above, or below such announced rate. Any change in such rate announced by Bank of America shall take effect at the opening of business on the day specified in the public announcement of such change.

"REAL PROPERTY" of any Person shall mean all of the right, title and interest of such Person in and to land, improvements and fixtures, including leaseholds.

"REGISTER" shall have the meaning provided in Section 13.16.

"REGULATION D" shall mean Regulation D of the Board of Governors of the Federal Reserve System as from time to time in effect and any successor to all or a portion thereof establishing reserve requirements.

"RELEASE" shall mean any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, disposing or migration into the environment.

"REPLACED BANK" shall have the meaning provided in Section 1.14.

"REPLACEMENT BANK" shall have the meaning provided in Section 1.14.

"REPORTABLE EVENT" shall mean an event described in Section 4043(b) and (c) of ERISA with respect to a Plan as to which the 30-day notice requirement has not been waived by the PBGC.

"REQUIRED BANKS" shall mean Banks, the sum of whose outstanding Revolving Loan Commitments (or after the termination thereof, outstanding Revolving Loans, Bid Loans and Percentage of outstanding Swingline Loans and Letter of Credit Outstandings) and, subject to Section 1.01(d)(iv), Local Currency Commitments (or after the termination thereof, outstanding Local Currency Loans) represent an amount greater than 50% of the sum of the Total Revolving Loan Commitment (or after the termination thereof, the sum of the then total outstanding Revolving Loans and the aggregate Percentages of the total outstanding Swingline Loans and Letter of Credit Outstandings at such time) and the Total Local Currency Commitment (or after the termination thereof, the total outstanding Local Currency Loans).

"RETURNS" shall have the meaning provided in Section 6.09.

"REVOLVING LOAN" shall have the meaning provided in Section 1.01(a).

"REVOLVING LOAN COMMITMENT" shall mean, for each Bank, the amount set forth opposite such Bank's name in Schedule 1.01 directly below the column entitled "REVOLVING LOAN COMMITMENT," as same may be (x) adjusted from time to time pursuant to Sections 1.01(d), 3.02, 3.03 and/or 9 or (y) adjusted from time to time as a result of assignments to or from such Bank pursuant to Section 1.14 or 13.04(b).

"REVOLVING NOTE" shall have the meaning provided in Section 1.06(b).

"SEALED AIR (CANADA)" shall mean Sealed Air (Canada) Inc. and its successors.

"SECTION 4.04(B)(II) CERTIFICATE" shall have the meaning provided in Section 4.04(b).

"SECURITIES ACT" shall mean the Securities Act of 1933, as amended and the rules and regulations promulgated thereunder.

"SENIOR FINANCIAL OFFICER" shall mean the President, the Chief Executive Officer, the Chief Operating Officer, the Chief Financial Officer, the Treasurer and each Assistant Treasurer of the Company.

"S&P" shall mean Standard & Poor's Ratings Services, a division of McGraw Hill, Inc.

"S&P CREDIT RATING" shall mean the rating level (it being understood that a rating level shall include numerical modifiers and (+) and (-) modifiers) assigned, whether express or implied, by S&P to the Company's senior unsecured long-term debt, PROVIDED that in the event that no senior unsecured outstanding long-term debt of the Company is rated by S&P there shall be no S&P Credit Rating.

"STATED AMOUNT" of each Letter of Credit shall mean at any time the maximum amount available to be drawn thereunder at such time, determined without regard to whether any conditions to drawing could then be met.

"SUBSIDIARY" shall mean, as to any Person, (i) any corporation more than 50% of whose stock of any class or classes having by the terms thereof ordinary voting power to elect a majority of the directors of such corporation (irrespective of whether or not at the time stock of any class or classes of such corporation shall have or might have voting power by reason of the happening of any contingency) is at the time owned by such Person and/or one or more Subsidiaries of such Person and (ii) any partnership, association, joint venture or other entity in which such Person and/or one or more Subsidiaries of such Person has more than a 50% equity interest at the time.

"SUBSIDIARY BORROWER" shall mean and include each Subsidiary listed as a Borrower on the signature pages hereto and any other Wholly-Owned Subsidiary of the Company that has become and remains a Subsidiary Borrower pursuant to Section 5.03.

"SUBSIDIARY GUARANTEE AGREEMENT" means a letter to the Administrative Agent in the form of Exhibit K hereto executed by a Subsidiary whereby it acknowledges it is party hereto as a Guarantor under Section 12 hereof.

"SUBSIDIARY GUARANTOR" shall mean Cryovac, Sealed Air Corporation (US) and all other Domestic Subsidiaries of the Company which pursuant to Section 7.08 have become and remain Guarantors hereunder.

"SWINGLINE EXPIRY DATE" shall mean the date which is two Business Days prior to the Final Maturity Date.

"SWINGLINE LENDER" shall mean Bank of America and the CAD Swingline Lender, as applicable.

"SWINGLINE LOAN" shall mean any USD Swingline Loan or CAD Swingline Loan.

"SWINGLINE NOTE" shall have the meaning provided in Section 1.06(b).

"TARGET DAY" shall mean any day on which the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET) System (or, if such clearing system ceases to be operative, such other clearing system (if any) determined by the Administrative Agent to be a suitable replacement) is operating.

"TAXES" shall have the meaning provided in Section 4.04(a).

"TEST PERIOD" shall mean the four consecutive fiscal quarters of the Company then last ended, in each case taken as one accounting period.

"TOTAL LOCAL CURRENCY COMMITMENT" shall mean, at any time, the sum of the Local Currency Commitments of each of the Banks and their Local Affiliates.

"TOTAL COMMITMENT" shall mean, at any time, the sum of the Commitments of each of the Banks.

"TOTAL REVOLVING LOAN COMMITMENT" shall mean, at any time, the sum of the Revolving Loan Commitments of each of the Banks.

"TRANCHE" shall mean the respective facility and commitments utilized in making Loans, with there being four separate Tranches, I.E., Bid Loans, Revolving Loans, Swingline Loans and Local Currency Loans.

"TYPE" shall mean any type of Loan determined with respect to the interest option and currency applicable thereto, I.E., a Base Rate Loan, Bid Loan, Offered Rate Loan or a Eurocurrency Loan.

"UCC" shall mean the Uniform Commercial Code as from time to time in effect in the relevant jurisdiction.

"UNFUNDED CURRENT LIABILITY" of any Plan means the amount, if any, by which the actuarial present value of the accumulated plan benefits under the Plan as of the close of its most recent plan year exceeds the fair market value of the assets allocable thereto, each determined in accordance with Statement of Financial Accounting Standards No. 35, based upon the actuarial assumptions used by the Plan's actuary in the most recent annual valuation of such Plan.

"UNITED STATES" and "U.S." shall each mean the United States of America.

"UNPAID DRAWINGS" shall have the meaning provided in Section 2.05(a).

"UNUTILIZED REVOLVING LOAN COMMITMENT" of any Bank at any time shall mean the Revolving Loan Commitment of such Bank at such time less the sum of (i) the Original Dollar Amount of Revolving Loans made by such Bank and then outstanding and (ii) such Bank's Percentage of the Original Dollar Amount of then outstanding Swingline Loans and the Letter of Credit Outstandings at such time.

"U.S. DOLLAR EQUIVALENT" means the amount of Dollars which would be realized by converting another currency into Dollars in the spot market at the exchange rate (i) in the case of all Loans denominated in a Eurocurrency or Local Currency (other than Swingline Loans denominated in Canadian Dollars), quoted by the Administrative Agent, and (ii) in the case of Swingline Loans denominated in Canadian Dollars, quoted by the CAD Swingline Lender, in any case at approximately 11:00 a.m. (London time, in the case of clause (i) and Toronto time, in the case of clause (ii)) two Business Days prior to the date on which a computation thereof is required to be made, to major banks in the interbank foreign exchange market for the purchase of Dollars for such other currency.

"USD OFFERED RATE LOAN" shall have the meaning provided in Section 1.01(b).

"USD SWINGLINE LOAN" shall mean any loan or loans made by Bank of America pursuant to Section 1.01(b).

"WHOLLY-OWNED SUBSIDIARY" shall mean, as to any Person, (i) any corporation 100% of whose capital stock (other than director's qualifying shares) is at the time owned by such Person and/or one or more Wholly-Owned Subsidiaries of such Person and (ii) any partnership, association, joint venture or other entity in which such Person and/or one or more Wholly-Owned Subsidiaries of such Person has a 100% equity interest at such time.

SECTION 10.02. PRINCIPLES OF CONSTRUCTION. (a) All references to sections, schedules and exhibits are to sections, schedules and exhibits in or to this Agreement unless otherwise specified.

(b) All accounting terms not specifically defined herein shall be construed in accordance with generally accepted accounting principles in the United States as in effect from time to time.

SECTION 11. THE ADMINISTRATIVE AGENT.

SECTION 11.01. APPOINTMENT AND AUTHORIZATION OF ADMINISTRATIVE AGENT. (a) Each Bank hereby irrevocably appoints, designates and authorizes the Administrative Agent to take such action on its behalf under the provisions of this Agreement and each other Credit Document and to exercise such powers and perform such duties as are expressly delegated to it by the terms of this Agreement or any other Credit Document, together with such powers as are reasonably incidental thereto. The Administrative Agent agrees to distribute to each Bank promptly upon the Administrative Agent's receipt each document delivered to the Administrative Agent under Section 7.01. Notwithstanding any provision to the contrary contained elsewhere herein or in any other Credit Document, the Administrative Agent shall not have any duties or responsibilities, except those expressly set forth herein, nor shall the Administrative Agent have or be deemed to have any fiduciary relationship with any Bank or participant, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or any other Credit Document or otherwise exist against the Administrative Agent. Without limiting the generality of the foregoing sentence, the use of the term "agent" herein and in the other Credit Documents with reference to the Administrative Agent is not intended to

connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law. Instead, such term is used merely as a matter of market custom, and is intended to create or reflect only an administrative relationship between independent contracting parties.

(b) The Issuing Agent shall act on behalf of the Banks with respect to any Letters of Credit issued by it and the documents associated therewith until such time (and except for so long) as the Administrative Agent may agree at the request of the Required Banks to act for the Issuing Agent with respect thereto; PROVIDED, HOWEVER, that the Issuing Agent shall have all of the benefits and immunities (i) provided to the Administrative Agent in this Section 11 with respect to any acts taken or omissions suffered by the Issuing Agent in connection with Letters of Credit issued by it or proposed to be issued by it and the application and agreements for letters of credit pertaining to the Letters of Credit as fully as if the term "Administrative Agent" as used in this Section 11 included the Issuing Agent with respect to such acts or omissions, and (ii) as additionally provided herein with respect to the Issuing Agent.

SECTION 11.02. DELEGATION OF DUTIES. The Administrative Agent may execute any of its duties under this Agreement or any other Credit Document by or through agents, employees or attorneys-in-fact and shall be entitled to advice of counsel and other consultants or experts concerning all matters pertaining to such duties. The Administrative Agent shall not be responsible for the negligence or misconduct of any agent or attorney-in-fact that it selects in the absence of gross negligence or willful misconduct.

SECTION 11.03. LIABILITY OF ADMINISTRATIVE AGENT. No Agent-Related Person shall (a) be liable for any action taken or omitted to be taken by any of them under or in connection with this Agreement or any other Credit Document or the transactions contemplated hereby (except for its own gross negligence or willful misconduct in connection with its duties expressly set forth herein), or (b) be responsible in any manner to any Bank or participant for any recital, statement, representation or warranty made by any Borrower or Guarantor or any officer thereof, contained herein or in any other Credit Document, or in any certificate, report, statement or other document referred to or provided for in, or received by the Administrative Agent under or in connection with, this Agreement or any other Credit Document, or the validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement or any other Credit Document, or for any failure of any Borrower or Guarantor or any other party to any Credit Document to perform its obligations hereunder or thereunder. No Agent-Related Person shall be under any obligation to any Bank or participant to ascertain or to inquire as to the observance or performance of any of the agreements contained in, or conditions of, this Agreement or any other Credit Document, or to inspect the properties, books or records of any Borrower or any Affiliate thereof.

SECTION 11.04. RELIANCE BY ADMINISTRATIVE AGENT. (a) The Administrative Agent shall be entitled to rely, and shall be fully protected in relying, upon any writing, communication, signature, resolution, representation, notice, consent, certificate, affidavit, letter, telegram, facsimile, telex or telephone message, statement or other document or conversation believed by it to be genuine and correct and to have been signed, sent or made by the proper Person or Persons, and upon advice and statements of legal counsel (including counsel to any Borrower), independent accountants and other experts selected by the Administrative Agent. The

Administrative Agent shall be fully justified in failing or refusing to take any action under any Credit Document unless it shall first receive such advice or concurrence of the Required Banks as it deems appropriate and, if it so requests, it shall first be indemnified to its satisfaction by the Banks against any and all liability and expense which may be incurred by it by reason of taking or continuing to take any such action. The Administrative Agent shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement or any other Credit Document in accordance with a request or consent of the Required Banks or all the Banks, if required hereunder, and such request and any action taken or failure to act pursuant thereto shall be binding upon all the Banks and participants. Where this Agreement expressly permits or prohibits an action unless the Required Banks otherwise determine, the Administrative Agent shall, and in all other instances, the Administrative Agent may, but shall not be required to, initiate any solicitation for the consent or a vote of the Banks.

(b) For purposes of determining compliance with the conditions specified in Section 5.01, each Bank that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter either sent by the Administrative Agent to such Bank for consent, approval, acceptance or satisfaction, or required thereunder to be consented to or approved by or acceptable or satisfactory to a Bank.

SECTION 11.05. NOTICE OF DEFAULT. The Administrative Agent shall not be deemed to have knowledge or notice of the occurrence of any Default or Event of Default, except with respect to defaults in the payment of principal, interest and fees required to be paid to the Administrative Agent for the account of the Banks, unless the Administrative Agent shall have received written notice from a Bank or the Borrower referring to this Agreement, describing such Default or Event of Default and stating that such notice is a "notice of default." The Administrative Agent will notify the Banks of its receipt of any such notice. The Administrative Agent shall take such action with respect to such Default or Event of Default as may be directed by the Required Banks in accordance with Section 9; PROVIDED, HOWEVER, that unless and until the Administrative Agent has received any such direction, the Administrative Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Default or Event of Default as it shall deem advisable or in the best interest of the Banks.

SECTION 11.06. CREDIT DECISION; DISCLOSURE OF INFORMATION BY ADMINISTRATIVE AGENT. Each Bank acknowledges that no Agent-Related Person has made any representation or warranty to it, and that no act by the Administrative Agent hereafter taken, including any consent to and acceptance of any assignment or review of the affairs of any Borrower or Guarantor or any Affiliate thereof, shall be deemed to constitute any representation or warranty by any Agent-Related Person to any Bank as to any matter, including whether Agent-Related Persons have disclosed material information in their possession. Each Bank represents to the Administrative Agent that it has, independently and without reliance upon any Agent-Related Person and based on such documents and information as it has deemed appropriate, made its own appraisal of and investigation into the business, prospects, operations, property, financial and other condition and creditworthiness of the Borrowers and Guarantors and their respective Subsidiaries, and all applicable bank or other regulatory Laws relating to the transactions contemplated hereby, and made its own decision to enter into this Agreement and to extend credit to the Borrower hereunder. Each Bank also represents that it will, independently and without reliance upon any

Agent-Related Person and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit analysis, appraisals and decisions in taking or not taking action under this Agreement and the other Credit Documents, and to make such investigations as it deems necessary to inform itself as to the business, prospects, operations, property, financial and other condition and creditworthiness of the Borrower. Except for notices, reports and other documents expressly required to be furnished to the Banks by the Administrative Agent herein, the Administrative Agent shall not have any duty or responsibility to provide any Bank with any credit or other information concerning the business, prospects, operations, property, financial and other condition or creditworthiness of any of the Borrowers and Guarantors or any of their respective Affiliates which may come into the possession of any Agent-Related Person.

SECTION 11.07. INDEMNIFICATION. To the extent an Agent-Related Person is not reimbursed and indemnified by the Borrowers, the Banks will reimburse and indemnify such Agent-Related Person, in proportion to their respective Percentages as used in determining the Required Banks, for and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, judgments, costs, expenses or disbursements of whatsoever kind or nature which may be imposed on, asserted against or incurred by such Agent-Related Person in performing its respective duties hereunder or under any other Credit Document, in any way relating to or arising out of this Agreement or any other Credit Document; PROVIDED that no Bank shall be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements determined in a final, nonappealable judgment by a court of competent jurisdiction to have been caused by such Agent-Related Person's gross negligence or willful misconduct.

SECTION 11.08. ADMINISTRATIVE AGENT IN ITS INDIVIDUAL CAPACITY. Bank of America and its Affiliates may make loans to, issue letters of credit for the account of, accept deposits from, acquire equity interests in and generally engage in any kind of banking, trust, financial advisory, underwriting or other business with each of the Borrowers and Guarantors and their respective Affiliates as though Bank of America were not the Administrative Agent or the Issuing Agent hereunder and without notice to or consent of the Banks. The Banks acknowledge that, pursuant to such activities, Bank of America or its Affiliates may receive information regarding any Borrower or Guarantor or its Affiliates (including information that may be subject to confidentiality obligations in favor of such Borrower or Guarantor or such Affiliate) and acknowledge that the Administrative Agent shall be under no obligation to provide such information to them. With respect to its Loans, Bank of America shall have the same rights and powers under this Agreement as any other Bank and may exercise such rights and powers as though it were not the Administrative Agent or the Issuing Agent, and the terms "Bank" and "Banks" include Bank of America in its individual capacity.

SECTION 11.09. SUCCESSOR ADMINISTRATIVE AGENT. The Administrative Agent may resign as Administrative Agent upon 30 days' notice to the Banks; provided that any such resignation by Bank of America shall also constitute its resignation as Issuing Agent and a Swingline Lender. If the Administrative Agent resigns under this Agreement, the Required Banks shall appoint from among the Banks a successor administrative agent for the Banks which successor administrative agent shall be consented to by the Company at all times other than during the

existence of an Event of Default (which consent of the Company shall not be unreasonably withheld or delayed). If no successor administrative agent is appointed prior to the effective date of the resignation of the Administrative Agent, the Administrative Agent may appoint, after consulting with the Banks and the Company, a successor administrative agent from among the Banks. Upon the acceptance of its appointment as successor administrative agent hereunder, the Person acting as such successor administrative agent shall succeed to all the rights, powers and duties of the retiring Administrative Agent, Issuing Agent and a Swingline Lender and the respective terms "Administrative Agent," "Issuing Agent" and "Swingline Lender" shall mean such successor administrative agent, Letter of Credit issuer and Swingline Lender, and the retiring Administrative Agent's appointment, powers and duties as Administrative Agent shall be terminated and the retiring Issuing Agent's and Swingline Lender's rights, powers and duties as such shall be terminated, without any other or further act or deed on the part of such retiring Issuing Agent or Swingline Lender or any other Bank, other than the obligation of the successor Issuing Agent to issue letters of credit in substitution for the Letters of Credit, if any, outstanding at the time of such succession. After any retiring Administrative Agent's resignation hereunder as Administrative Agent, the provisions of this Section 11 and Sections 13.05 and 13.13 shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Administrative Agent under this Agreement. If no successor administrative agent has accepted appointment as Administrative Agent by the date which is 30 days following a retiring Administrative Agent's notice of resignation, the retiring Administrative Agent's resignation shall nevertheless thereupon become effective and the Banks shall perform all of the duties of the Administrative Agent hereunder until such time, if any, as the Required Banks appoint a successor agent as provided for above.

SECTION 11.10. OTHER AGENTS; LEAD MANAGERS. None of the Banks identified on the facing page or signature pages of this Agreement as a "syndication agent," "documentation agent," "co-agent", "book manager" or "lead manager" shall have any right, power, obligation, liability, responsibility or duty under this Agreement other than those applicable to all Banks as such. Without limiting the foregoing, none of the Banks so identified shall have or be deemed to have any fiduciary relationship with any Bank. Each Bank acknowledges that it has not relied, and will not rely, on any of the Banks so identified in deciding to enter into this Agreement or in taking or not taking action hereunder.

SECTION 12. GUARANTY.

SECTION 12.01. THE GUARANTY. In order to induce the Banks to enter into this Agreement and to extend credit hereunder to the Borrowers and in recognition of the direct benefits to be received by the Company and each Subsidiary Guarantor from the proceeds of the Loans to the Borrowers, each Guarantor hereby agrees with the Banks as follows: each Guarantor hereby unconditionally and irrevocably guarantees as primary obligor and not merely as surety the full and prompt payment when due, whether upon maturity, by acceleration or otherwise, of any and all of the Guaranteed Obligations to the Creditors. If any or all of the Guaranteed Obligations to the Creditors becomes due and payable hereunder, each Guarantor unconditionally promises to pay such indebtedness to the Creditors, or order, on demand, together with any and all reasonable expenses which may be incurred by the Administrative Agent or the Creditors in collecting any of the Guaranteed Obligations.

SECTION 12.02. BANKRUPTCY. Additionally, each Guarantor unconditionally and irrevocably guarantees the payment of any and all of the Guaranteed Obligations to the Creditors whether or not then due or payable by any Borrower upon the occurrence in respect of such Borrower of any of the events specified in Section 9.05, and unconditionally and irrevocably promises to pay such Guaranteed Obligations to the Creditors, or order, on demand, in lawful money of the United States.

SECTION 12.03. NATURE OF LIABILITY. The liability of each Guarantor hereunder is exclusive and independent of any security for or other guaranty of the Guaranteed Obligations whether executed by such Guarantor, any other guarantor or by any other party, and the liability of each Guarantor hereunder shall not be affected or impaired by (a) any direction as to application of payment by any Borrower or by any other party, or (b) any other continuing or other guaranty, undertaking or maximum liability of a guarantor or of any other party as to the Guaranteed Obligations of any Borrower, or (c) any payment on or in reduction of any such other guaranty or undertaking, or (d) any dissolution, termination or increase, decrease or change in personnel by any Borrower, or (e) any payment made to the Administrative Agent or the Creditors on the indebtedness which the Administrative Agent or such Creditors repay any Borrower pursuant to court order in any bankruptcy, reorganization, arrangement, moratorium or other debtor relief proceeding, and each Guarantor waives any right to the deferral or modification of its obligations hereunder by reason of any such proceeding.

SECTION 12.04. INDEPENDENT OBLIGATION. The obligations of each Guarantor hereunder are independent of the obligations of any other guarantor or any Borrower, and a separate action or actions may be brought and prosecuted against each Guarantor whether or not action is brought against any other guarantor or any Borrower and whether or not any other Guarantor or any Borrower be joined in any such action or actions. Each Guarantor waives, to the fullest extent permitted by law, the benefit of any statute of limitations affecting its liability hereunder or the enforcement thereof. Any payment by any Borrower or other circumstance which operates to toll any statute of limitations as to such Borrower shall operate to toll the statute of limitations as to each Guarantor.

SECTION 12.05. AUTHORIZATION. Each Guarantor authorizes the Creditors without notice or demand (except as shall be required by applicable law and cannot be waived), and without affecting or impairing its liability hereunder, from time to time to:

(a) change the manner, place or terms of payment of, and/or change or extend the time of payment of, renew, increase, accelerate or alter, any of the Guaranteed Obligations (including any increase or decrease in the rate of interest thereon), any security therefor, or any liability incurred directly or indirectly in respect thereof, and the guaranty herein made shall apply to the Guaranteed Obligations as so changed, extended, renewed or altered;

(b) take and hold security for the payment of the Guaranteed Obligations and sell, exchange, release, surrender, realize upon or otherwise deal with in any manner and in any order any property by whomsoever at any time pledged or mortgaged to secure, or howsoever securing, the Guaranteed Obligations or any liabilities (including any of those

hereunder) incurred directly or indirectly in respect thereof or hereof, and/or any offset there against;

(c) exercise or refrain from exercising any rights against any Borrower or others or otherwise act or refrain from acting;

(d) release or substitute any one or more endorsers, guarantors, any Borrower or other obligors;

(e) settle or compromise any of the Guaranteed Obligations, any security therefor or any liability (including any of those hereunder) incurred directly or indirectly in respect thereof or hereof, and may subordinate the payment of all or any part thereof to the payment of any liability (whether due or not) of any Borrower to its creditors other than the Creditors;

(f) apply any sums by whomsoever paid or howsoever realized to any liability or liabilities of any Borrower to the Creditors regardless of what liability or liabilities of the Company or any Borrower remain unpaid;

(g) consent to or waive any breach of, or any act, omission or default under, this Agreement or any of the instruments or agreements referred to herein, or otherwise amend, modify or supplement this Agreement or any of such other instruments or agreements; and/or

(h) take any other action which would, under otherwise applicable principles of common law, give rise to a legal or equitable discharge of such Guarantor from its liabilities under this Section 12.

SECTION 12.06. RELIANCE. It is not necessary for the Creditors to inquire into the capacity or powers of any Borrower or the officers, directors, partners or agents acting or purporting to act on its behalf, and any Guaranteed Obligations made or created in reliance upon the professed exercise of such powers shall be guaranteed hereunder.

SECTION 12.07. SUBORDINATION. Any of the indebtedness of any Borrower relating to the Guaranteed Obligations now or hereafter owing to a Guarantor is hereby subordinated to the Guaranteed Obligations of such Borrower owing to the Creditors; and if the Administrative Agent so requests at a time when an Event of Default exists, all such indebtedness relating to the Guaranteed Obligations of such Borrower to a Guarantor shall be collected, enforced and received by the Company for the benefit of the Creditors and be paid over to the Administrative Agent on behalf of the Creditors on account of the Guaranteed Obligations of such Borrower to the Creditors, but without affecting or impairing in any manner the liability of such Guarantor under the other provisions of this Guaranty. Prior to the transfer by any Guarantor of any note or negotiable instrument evidencing any of the indebtedness relating to the Guaranteed Obligations of any Borrower to such Guarantor, such Guarantor shall mark such note or negotiable instrument with a legend that the same is subject to this subordination. Without limiting the generality of the foregoing, each Guarantor hereby agrees with the Creditors that it will not

exercise any right of subrogation or contribution which it may at any time otherwise have as a result of this Guaranty (whether contractual, under Section 5.09 of the Bankruptcy Code or otherwise) against any Borrower or any other Guarantor until all Guaranteed Obligations have been irrevocably paid in full in cash.

SECTION 12.08. WAIVER. (a) Each Guarantor waives any right (except as shall be required by applicable law and cannot be waived) to require the Creditors to (i) proceed against any Borrower or any other party, (ii) proceed against or exhaust any security held from any Borrower or any other party or (iii) pursue any other remedy in the Administrative Agent's or any other Creditors' power whatsoever. Each Guarantor waives any defense based on or arising out of any defense of any Borrower or any other party, other than payment in full of the Guaranteed Obligations, based on or arising out of the disability of any Borrower, any other guarantor or any other party, or the unenforceability of the Guaranteed Obligations or any part thereof from any cause, or the cessation from any cause of the liability of any Borrower other than payment in full of the Guaranteed Obligations. To the greatest extent permitted by law the Creditors may, at their election, foreclose on any security held by the Administrative Agent or any other Creditors by one or more judicial or nonjudicial sales, whether or not every aspect of any such sale is commercially reasonable (to the extent such sale is permitted by applicable law), or exercise any other right or remedy the Administrative Agent and any other Creditors may have against any Borrower or any other party, or any security, without affecting or impairing in any way the liability of any Guarantor hereunder except to the extent the Guaranteed Obligations have been paid. Each Guarantor waives any defense arising out of any such election by the Creditors, even though such election operates to impair or extinguish any right of reimbursement or subrogation or other right or remedy of such Guarantor against any Borrower or any other Guarantor or any other party or any security.

(b) Each Guarantor waives all presentments, demands for performance, protests and notices (except as otherwise expressly provided for herein), including without limitation notices of nonperformance, notices of protest, notices of dishonor, notices of acceptance of this Guaranty, and notices of the existence, creation or incurring of new or additional Guaranteed Obligations. Each Guarantor assumes all responsibility for being and keeping itself informed of each Borrower's financial condition and assets, and of all circumstances bearing upon the risk of nonpayment of the Guaranteed Obligations and the nature, scope and extent of the risks which each Guarantor assumes and incurs hereunder, and agrees that the Creditors shall have no duty to advise any Guarantor of information known to them regarding such circumstances or risks.

SECTION 12.09. NATURE OF LIABILITY. It is the desire and intent of the Guarantors and the Creditors that this Guaranty shall be enforced against each Guarantor to the fullest extent permissible under the laws and public policies applied in each jurisdiction in which enforcement is sought. If, however, and to the extent that, the obligations of any Guarantor under this Guaranty shall be adjudicated to be invalid or unenforceable for any reason (including, without limitation, because of any applicable state or federal law relating to fraudulent conveyances or transfers), then the amount of the Guaranteed Obligations of such Guarantor shall be deemed to be reduced and such Guarantor shall pay the maximum amount of the Guaranteed Obligations which would be permissible under applicable law.

SECTION 12.10. JUDGMENTS BINDING. If claim is ever made upon any Creditor or any subsequent holder of a Note of any Borrower for repayment or recovery of any amount or amounts received in payment or on account of any of the Guaranteed Obligations and any of the aforesaid payees repays all or part of said amount by reason of (a) any judgment, decree or order of any court or administrative body having jurisdiction over such payee or any of its property, or (b) any settlement or compromise of any such claim effected by such payee with any such claimant, then and in such event each Guarantor agrees that any such judgment, decree, order, settlement or compromise shall be binding upon each Guarantor, notwithstanding any revocation hereof or the cancellation of any Note or other instrument evidencing any liability of any Borrower, and each Guarantor shall be and remain liable to the aforesaid payees hereunder for the amount so repaid or recovered to the same extent as if such amount had never originally been received by any such payee.

SECTION 13. MISCELLANEOUS.

SECTION 13.01. PAYMENT OF EXPENSES, ETC. The Borrowers jointly and severally shall: (i) whether or not the transactions contemplated herein are consummated, pay all reasonable out-of-pocket costs and expenses of the Administrative Agent (including, without limitation, the reasonable fees and disbursements of Chapman and Cutler subject to any ceiling separately agreed) in connection with the preparation, execution and delivery of this Agreement and the other Credit Documents and the documents and instruments referred to herein and therein and any amendment, waiver or consent relating hereto or thereto, of the Arranger in connection with its syndication efforts with respect to this Agreement and of the Administrative Agent and, following an Event of Default, each of the Banks in connection with the enforcement of this Agreement and the other Credit Documents and the documents and instruments referred to herein and therein (including, without limitation, the reasonable fees and disbursements of counsel for the Administrative Agent and, following an Event of Default, for each of the Banks); (ii) pay and hold each of the Banks harmless from and against any and all present and future stamp, excise and other similar taxes with respect to the foregoing matters and save each of the Banks harmless from and against any and all liabilities with respect to or resulting from any delay or omission (other than to the extent attributable to such Bank) to pay such taxes; and (iii) indemnify each Agent-Related Person and each Bank, and each of their respective officers, directors, employees, representatives and agents from and hold each of them harmless against any and all liabilities, obligations (including removal or remedial actions), losses, damages, penalties, claims, actions, judgments, suits, costs, expenses and disbursements (including reasonable attorneys' and consultants' fees and disbursements) incurred by, imposed on or assessed against any of them as a result of, or arising out of, or in any way related to, or by reason of, (a) any investigation, litigation or other proceeding (whether or not such Agent-Related Person or any Bank is a party thereto) related to the entering into and/or performance of this Agreement or any other Credit Document or the use of any Letter of Credit or the proceeds of any Loans hereunder or the consummation of any transactions contemplated herein or in any other Credit Document or the exercise of any of their rights or remedies provided herein or in the other Credit Documents, or (b) the actual or alleged presence of Hazardous Materials in the air, surface water or groundwater or on the surface or subsurface of any Real Property owned or at any time operated by the Company or any of its Subsidiaries, the generation, storage, transportation, handling or disposal of Hazardous Materials at any location, whether or not

owned or operated by the Company or any of its Subsidiaries, the non-compliance of any Real Property with foreign, federal, state and local laws, regulations, and ordinances (including applicable permits thereunder) applicable to any Real Property, or any Environmental Claim asserted against the Company, any of its Subsidiaries or any Real Property owned or at any time operated by the Company or any of its Subsidiaries, including, in each case, without limitation, the reasonable fees and disbursements of counsel and other consultants incurred in connection with any such investigation, litigation or other proceeding (but excluding any losses, liabilities, claims, damages or expenses determined in a final, nonappealable judgment by a court of competent jurisdiction to have been caused primarily by reason of the gross negligence or willful misconduct of the Person to be indemnified). To the extent that the undertaking to indemnify, pay or hold harmless the Administrative Agent or any Bank set forth in the preceding sentence may be unenforceable because it is violative of any law or public policy, the Borrowers shall make the maximum contribution to the payment and satisfaction of each of the indemnified liabilities which is permissible under applicable law.

SECTION 13.02. RIGHT OF SETOFF. In addition to any rights now or hereafter granted under applicable law or otherwise, and not by way of limitation of any such rights, upon the occurrence of an Event of Default, each Bank is hereby authorized at any time or from time to time, without presentment, demand, protest or other notice of any kind to the Company or any Subsidiary Borrower or to any other Person, any such notice being hereby expressly waived, to set off and to appropriate and apply any and all deposits (general or special) (in whatever currency denominated) and any other Indebtedness at any time held or owing by such Bank (including, without limitation, by branches and agencies of such Bank wherever located) to or for the credit or the account of the Company or any Subsidiary Borrower against and on account of the Obligations and liabilities of the Company or any Subsidiary Borrower to such Bank under this Agreement or under any of the other Credit Documents, (in whatever currency denominated) including, without limitation, all interests in Obligations purchased by such Bank pursuant to Section 13.06(b), and all other claims of any nature or description arising out of or connected with this Agreement or any other Credit Document, irrespective of whether or not such Bank shall have made any demand hereunder and although said Obligations, liabilities or claims, or any of them, shall be contingent or unmatured.

SECTION 13.03. NOTICES. Except as otherwise expressly provided herein, all notices and other communications provided for hereunder shall be in writing (including telecopier) and mailed, telecopied, cabled or delivered: if to the Company, Sealed Air Corporation (US) or Cryovac, Inc. at: Park 80 East, Saddle Brook, New Jersey 07663-5291, Attention: Tod Christie, Treasurer, (Tel.) 201-703-4128, (Fax) 201-703-4170; if to any Subsidiary Borrower, at such Subsidiary Borrower's address provided in the respective Election to Become a Subsidiary Borrower; if to any Subsidiary Guarantor, at such Subsidiary Guarantor's address specified opposite its signature below as provided in the respective Subsidiary Guarantee Agreement; if to any Bank, at its address specified opposite its name on the applicable signature page hereof or in the applicable Assignment and Assumption Agreement; and if to the Administrative Agent, at its Notice Office; or, as to any Borrower, any Subsidiary Guarantor or the Administrative Agent, at such other address as shall be designated by such party in a written notice to the other parties hereto and, as to each Bank, at such other address as shall be designated by such Bank in a written notice to the Company and the Administrative Agent. All such notices and

communications shall, when mailed, telecopied, or cabled or sent by overnight courier, be effective when deposited in the mails, delivered to the telegraph company, cable company or overnight courier, as the case may be, or sent by telecopier, except that notices and communications to the Administrative Agent shall not be effective until received by the Administrative Agent.

SECTION 13.04. BENEFIT OF AGREEMENT, ETC. (a) This Agreement shall be binding upon and inure to the benefit of and be enforceable by the respective successors and assigns of the parties hereto; PROVIDED, HOWEVER, no Borrower may assign or transfer any of its rights, obligations or interest hereunder or under any other Credit Document without the prior written consent of the Banks and, PROVIDED, FURTHER, that, although any Bank may transfer, assign or grant participations in its rights hereunder, such Bank shall remain a "Bank" for all purposes hereunder (and may not transfer or assign all or any portion of its Commitments hereunder except as provided in Section 13.04(b)) and the transferee, assignee or participant, as the case may be, shall not constitute a "Bank" hereunder and, PROVIDED, FURTHER, that no Bank shall transfer or grant any participation under which the participant shall have rights to approve any amendment to or waiver of this Agreement or any other Credit Document except to the extent such amendment or waiver would (i) extend the final scheduled maturity of any Loan, Note or Letter of Credit (unless such Letter of Credit is not extended beyond the Final Maturity Date) in which such participant is participating, or reduce the rate or extend the time of payment of interest or Fees thereon (except in connection with a waiver of applicability of any post-default increase in interest rates) or reduce the principal amount thereof, or increase the amount of the participant's participation over the amount thereof then in effect (it being understood that a waiver of any Default shall not constitute a change in the terms of such participation, and that an increase in any Commitment or Loan shall be permitted without the consent of any participant if the participant's participation is not increased as a result thereof) or (ii) consent to the assignment or transfer by any Borrower of any of its rights and obligations under this Agreement. In the case of any such participation, the participant shall not have any rights under this Agreement or any of the other Credit Documents (the participant's rights against such Bank in respect of such participation to be those set forth in the agreement executed by such Bank in favor of the participant relating thereto) and all amounts payable by the Borrowers hereunder shall be determined as if such Bank had not sold such participation.

(b) Notwithstanding the foregoing, any Bank (or any Bank together with one or more other Banks) may (x) assign all or a portion of its Revolving Loan Commitment (and related outstanding Obligations hereunder) to its parent company and/or any affiliate of such Bank which is at least 80% owned by such Bank or its parent company or to one or more Banks or (y) assign all, or if less than all, a portion equal to at least \$10,000,000 in the aggregate for the assigning Bank or assigning Banks, of such Revolving Loan Commitments (and related outstanding Obligations) hereunder to one or more Eligible Transferees, each of which assignees shall become a party to this Agreement as a Bank by execution of an Assignment and Assumption Agreement, PROVIDED that (i) at such time Schedule 1.01 shall be deemed modified to reflect the Commitments of such new Bank and of the existing Banks, (ii) upon surrender of any old Notes, upon request new Notes will be issued to such new Bank and to the assigning Bank, such new Notes to be in conformity with the requirements of Section 1.06 (with appropriate modifications) to the extent needed to reflect the revised Commitments, (iii) the

consent of the Administrative Agent and the Company shall be required in connection with any such assignment pursuant to clause (y) above (which consent shall not be unreasonably withheld), and (iv) the Administrative Agent shall receive at the time of each such assignment, from the assigning or assignee Bank, the payment of a non-refundable assignment fee of \$3,500 and, PROVIDED, FURTHER, that such transfer or assignment will not be effective until recorded by the Administrative Agent on the Register pursuant to Section 13.16. To the extent of any assignment pursuant to this Section 13.04(b), the assigning Bank shall be relieved of its obligations hereunder with respect to its assigned Commitments. At the time of each assignment pursuant to this Section 13.04(b) to a Person which is not already a Bank hereunder and which is not a United States person (as such term is defined in Section 7701(a)(30) of the Code) for Federal income tax purposes, the respective assignee Bank shall provide to the Company and the Administrative Agent the appropriate Internal Revenue Service Forms (and, if applicable a Section 4.04(b)(ii) Certificate) described in Section 4.04(b). To the extent that an assignment of all or any portion of a Bank's Commitments and related outstanding Obligations pursuant to Section 1.14 or this Section 13.04(b) would, at the time of such assignment, result in increased costs under Section 1.11, 1.12 or 2.06 from those being charged by the respective assigning Bank prior to such assignment, then the Company shall not be obligated to pay such increased costs (although the Company shall be obligated to pay any other increased costs of the type described above resulting from changes after the date of the respective assignment).

(c) Nothing in this Agreement shall prevent or prohibit any Bank from pledging its Loans and Notes hereunder to a Federal Reserve Bank in support of borrowings made by such Bank from such Federal Reserve Bank.

SECTION 13.05. NO WAIVER; REMEDIES CUMULATIVE. No failure or delay on the part of the Administrative Agent or any Bank or any holder of any Note in exercising any right, power or privilege hereunder or under any other Credit Document and no course of dealing between any Borrower and the Administrative Agent or any Bank or the holder of any Note shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or under any other Credit Document preclude any other or further exercise thereof or the exercise of any other right, power or privilege hereunder or thereunder. The rights, powers and remedies herein or in any other Credit Document expressly provided are cumulative and not exclusive of any rights, powers or remedies which the Administrative Agent or any Bank or the holder of any Note would otherwise have. No notice to or demand on any Borrower in any case shall entitle any Borrower to any other or further notice or demand in similar or other circumstances or constitute a waiver of the rights of the Administrative Agent or any Bank or the holder of any Note to any other or further action in any circumstances without notice or demand.

SECTION 13.06. PAYMENTS PRO RATA. (a) Except as otherwise provided in this Agreement, the Administrative Agent agrees that promptly after its receipt of each payment from or on behalf of the respective Borrower in respect of any Obligations hereunder, it shall distribute such payment to the Banks (other than any Bank that has consented in writing to waive its PRO RATA share of any such payment) PRO RATA based upon their respective shares, if any, of the Obligations with respect to which such payment was received.

(b) Each of the Banks agrees that, if it should receive any amount hereunder (whether by voluntary payment, by realization upon security, by the exercise of the right of setoff or banker's lien, by counterclaim or cross action, by the enforcement of any right under the Credit Documents, or otherwise), which is applicable to the payment of the principal of, or interest on, the Loans, Unpaid Drawings, Facility Fee or Letter of Credit Fees, of a sum which with respect to the related sum or sums received by other Banks is in a greater proportion than the total of such Obligations then owed and due to such Bank bears to the total of such Obligations then owed and due to all of the Banks immediately prior to such receipt, then such Bank receiving such excess payment shall purchase for cash without recourse or warranty from the other Banks an interest in the Obligations of the respective Borrower to such Banks in such amount as shall result in a proportional participation by all the Banks in such amount; PROVIDED that if all or any portion of such excess amount is thereafter recovered from such Bank, such purchase shall be rescinded and the purchase price restored to the extent of such recovery, but without interest.

SECTION 13.07. CALCULATIONS; COMPUTATIONS. (a) All computations of interest, Facility Fees and other Fees hereunder shall be made on the basis of a year of (i) 365/366 days, as applicable, with respect to Facility Fees, Letter of Credit Fees and interest on Base Rate Loans and Eurocurrency Loans denominated in Pounds Sterling and other Local Currencies customarily computed on such basis in accordance with customary Eurocurrency market practice, as determined by the Administrative Agent and (ii) 360 days, with respect to all other amounts, for the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest, or Fees are payable. The applicable Local Currency Documentation may specify that a different day count method is applicable to amounts owing pursuant to such Local Currency Documentation.

(b) For purposes of determining compliance with the dollar amounts set forth in Section 8, the dollar equivalent of any Indebtedness or other obligation incurred in a currency other than Dollars shall be the dollar equivalent thereof as in effect on the last Business Day of the then most recently ended fiscal quarter of the Company and such dollar equivalent shall remain in effect until same is recalculated as of the last Business Day of the immediately succeeding fiscal quarter, and with such dollar equivalent to mean, at any time of determination thereof, the amount of Dollars which could be purchased with the amount of currency involved in such computation at the spot exchange rate therefor as published in the New York edition of THE WALL STREET JOURNAL on the date one Business Day subsequent to the date of any determination of such dollar equivalent, PROVIDED that if the New York edition of THE WALL STREET JOURNAL is not published on such date, reference shall be made to such rate as set forth in most recently published New York edition of THE WALL STREET JOURNAL, and PROVIDED FURTHER, that if any time the New York edition of THE WALL STREET JOURNAL ceases to publish such exchange rates, the dollar equivalent shall be the amount of Dollars which could be purchased with the amount of currency involved in such computation at the spot rate therefor as quoted by the Administrative Agent at approximately 11:00 a.m. (London time) on the date two Business Days prior to the date of any determination thereof for purchase on such date.

SECTION 13.08. GOVERNING LAW; SUBMISSION TO JURISDICTION; VENUE; WAIVER OF JURY TRIAL. (a) This Agreement and the other Credit Documents and the rights and obligations of the parties hereunder and thereunder shall be construed in accordance with and be governed by the law of

the State of New York. Any legal action or proceeding with respect to this Agreement or any other Credit Document may be brought in the courts of the State of New York or the United States for the Southern District of New York located in the Borough of Manhattan, and, by execution and delivery of this Agreement, each Borrower and Subsidiary Guarantor hereby irrevocably accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of the aforesaid courts. Each Borrower and Subsidiary Guarantor hereby further irrevocably waives any claim that any such courts lack jurisdiction over such Borrower or Subsidiary Guarantor, and agrees not to plead or claim, in any legal action or proceeding with respect to this Agreement or any other Credit Document brought in any of the aforesaid courts, that any such court lacks jurisdiction over such Borrower or Subsidiary Guarantor. Each Subsidiary Borrower and Subsidiary Guarantor hereby irrevocably designates, appoints and empowers the Company as its designee, appointee and agent to receive, accept and acknowledge for and on its behalf, and in respect of its property, service of any and all legal process, summons, notices and documents which may be served in any such action or proceeding. If for any reason the Company shall cease to be available to act as such, each Subsidiary Borrower and Subsidiary Guarantor agrees to designate a new designee, appointee and agent in New York City on the terms and for the purposes of this provision satisfactory to the Administrative Agent under this Agreement. Each Borrower and Subsidiary Guarantor further irrevocably consents to the service of process out of any of the aforementioned courts in any such action or proceeding by the mailing of copies thereof by registered or certified mail, postage prepaid, to it at its address specified pursuant to Section 13.03, such service to become effective 30 days after such mailing. Each Borrower and Subsidiary Guarantor hereby irrevocably waives any objection to such service of process and further irrevocably waives and agrees not to plead or claim in any action or proceeding commenced hereunder or under any other Credit Document that service of process was in any way invalid or ineffective. Nothing herein shall affect the right of the Administrative Agent under this Agreement, any Bank or the holder of any Note to serve process in any other manner permitted by law or to commence legal proceedings or otherwise proceed against any Borrower or Subsidiary Guarantor in any other jurisdiction.

(b) Each Borrower and Subsidiary Guarantor hereby irrevocably waives any objection which it may now or hereafter have to the laying of venue of any of the aforesaid actions or proceedings arising out of or in connection with this Agreement or any other Credit Document brought in the courts referred to in clause (a) above and hereby further irrevocably waives and agrees not to plead or claim in any such court that any such action or proceeding brought in any such court has been brought in an inconvenient forum.

(c) The Company hereby agrees with each Subsidiary Borrower, each Subsidiary Guarantor, the Administrative Agent and each Bank that the Company irrevocably accepts such appointment as agent as set forth in clause (a) of this Section 13.08 and agrees that the Company (i) shall inform the Administrative Agent promptly in writing of any change of its address, (ii) shall notify the Administrative Agent of any termination of any of the agency relationships created by clause (a) of this Section 13.08, (iii) shall perform its obligations as such agent in accordance with the provisions of clause (a) of this Section 13.08 and (iv) shall forward promptly to each Subsidiary Borrower and Subsidiary Guarantor any legal process received by the Company in its capacity as process agent. As process agent, the Company agrees to discharge the above-mentioned obligations and will not refuse fulfillment of such obligations under

clause (a) of this Section 13.08. In addition, the Company agrees that it shall maintain its qualification to do business in the State of New York and shall at all times have a registered agent in New York to receive service of process.

(d) Each of the parties to this Agreement hereby irrevocably waives all right to a trial by jury in any action, proceeding or counterclaim arising out of or relating to this Agreement, the other Credit Documents or the transactions contemplated hereby or thereby.

SECTION 13.09. 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 and delivered shall be an original, but all of which shall together constitute one and the same instrument. A set of counterparts executed by all the parties hereto shall be lodged with the Company and the Administrative Agent.

SECTION 13.10. EFFECTIVENESS. This Agreement shall become effective on the date (the "EFFECTIVE DATE") on which (i) the Company, each Subsidiary of the Company listed as a Borrower or Guarantor on the signature pages hereto and each of the Banks shall have signed a counterpart hereof (whether the same or different counterparts) and shall have delivered the same to the Administrative Agent at its Notice Office or, in the case of the Banks, shall have given to the Administrative Agent telephonic (confirmed in writing), written or facsimile notice (actually received) at such office that the same has been signed and mailed to it and (ii) all conditions contained in Section 5.01 are met to the satisfaction of the Administrative Agent and the Required Banks (determined after giving effect to the Effective Date). Upon the satisfaction of the conditions described in clause (i) of the immediately preceding sentence and upon the Administrative Agent's good faith determination that the conditions described in clause (ii) of the immediately preceding sentence have been met, then the Effective Date shall be deemed to have occurred, regardless of any subsequent determination that one or more of the conditions thereto had not been met (although the occurrence of the Effective Date shall not release any Borrower from any liability or prevent the existence of an Event of Default based upon failure to satisfy one or more of the applicable conditions contained in Section 5.01). The Administrative Agent will give each Borrower and each Bank prompt written notice of the occurrence of the Effective Date.

SECTION 13.11. HEADINGS DESCRIPTIVE. The headings of the several sections and subsections of this Agreement are inserted for convenience only and shall not in any way affect the meaning or construction of any provision of this Agreement.

SECTION 13.12. AMENDMENT OR WAIVER; ETC. (a) Neither this Agreement nor any other Credit Document nor any terms hereof or thereof may be changed, waived, discharged or terminated unless such change, waiver, discharge or termination is in writing signed by the Borrowers and the Required Banks, PROVIDED that no such change, waiver, discharge or termination shall, without the consent of each Bank (with Obligations being directly affected in the case of following clause (i)), (i) extend the final scheduled maturity of any Loan or Note or extend the stated maturity of any Letter of Credit beyond the Final Maturity Date, or reduce the rate or extend the time of payment of interest thereon or any Fees, or reduce the principal amount thereof, (ii) amend, modify or waive any provision of the definition of "EUROCURRENCY" or of

Section 13.06(b) or this Section 13.12, (iii) reduce the percentage specified in the definition of Required Banks, (iv) except as provided in Section 13.18 hereof, release any Guarantor from its obligations under the Guaranty or (v) consent to the assignment or transfer by any Borrower of any of its rights and obligations under this Agreement; PROVIDED FURTHER, that no such change, waiver, discharge or termination shall (w) increase the Commitments of any Bank over the amount thereof then in effect without the consent of such Bank (it being understood that waivers or modifications of conditions precedent, covenants or Defaults shall not constitute an increase of the Commitment of a Bank), (x) without the consent of Bank of America, amend, modify or waive any provision of Section 2 or alter its rights or obligations with respect to Letters of Credit or without the consent of a Swingline Lender, amend, modify or waive any provision of Section 1.01(b) or (c) as it relates to such Swingline Lender or alter its rights or obligations with respect to Swingline Loans, (y) without the consent of each Bank with a Local Currency Commitment or that has arranged for one of its Local Affiliates to provide a Local Currency Commitment, amend, modify or waive any provision of Section 1 as same applies to Local Currency Commitments, or (z) without the consent of the Administrative Agent, amend, modify or waive any provision of Section 11 as same applies to the Administrative Agent or any other provision as same relates to the rights or obligations of the Administrative Agent.

(b) If, in connection with any proposed change, waiver, discharge or termination with respect to any of the provisions of this Agreement as contemplated by clauses (i) through (v), inclusive, of the first proviso to Section 13.12(a), the consent of the Required Banks is obtained but the consent of one or more of such other Banks whose consent is required is not obtained, then the Company shall have the right, so long as all non-consenting Banks whose individual consent is required are treated as described in either clause (A) or (B) below, to either (A) replace each such non-consenting Bank or Banks with one or more Replacement Banks pursuant to Section 1.14 so long as at the time of such replacement, each such Replacement Bank consents to the proposed change, waiver, discharge or termination or (B) terminate such non-consenting Bank's Revolving Loan Commitment and repay in full such non-consenting Bank's outstanding Loans in accordance with Sections 3.02(b) and 4.01(b), PROVIDED that, unless the Commitments that are terminated, and Loans that are repaid, pursuant to preceding clause (B) are immediately replaced in full at such time through the addition of new Banks or the increase of the Commitments and/or outstanding Loans of existing Banks (who in each case must specifically consent thereto), then in the case of any action pursuant to preceding clause (B) the Required Banks (determined before giving effect to the proposed action) must specifically consent thereto, PROVIDED FURTHER, that in any event the Company shall not have the right to replace a Bank, terminate its Commitments or repay its Loans solely as a result of the exercise of such Bank's rights (and the withholding of any required consent by such Bank) pursuant to the second proviso to Section 13.12(a).

SECTION 13.13. SURVIVAL. All indemnities set forth herein including, without limitation, in Sections 1.11, 1.12, 2.06, 4.04, 13.01 and 13.06 shall survive the execution, delivery and termination of this Agreement and the Notes and the making and repayment of the Loans.

SECTION 13.14. DOMICILE OF LOANS. Each Bank may transfer and carry its Loans at, to or for the account of any office, Subsidiary or Affiliate of such Bank. Notwithstanding anything to the contrary contained herein, to the extent that a transfer of Loans pursuant to this Section 13.14

would, at the time of such transfer, result in increased costs under Section 1.11, 1.12, 2.06 or 4.04 from those being charged by the respective Bank prior to such transfer, then the Borrowers shall not be obligated to pay such increased costs (although the Borrowers shall be obligated to pay any other increased costs of the type described above resulting from changes after the date of the respective transfer).

SECTION 13.15. CONFIDENTIALITY. (a) Subject to the provisions of clause (b) of this Section 13.15, each Bank agrees that it will use its best efforts not to disclose without the prior consent of the Company (other than to its employees, auditors, advisors or counsel or to another Bank if the Bank or such Bank's holding or parent company in its sole discretion determines that any such party should have access to such information, PROVIDED such Persons shall be subject to the provisions of this Section 13.15 to the same extent as such Bank) any information with respect to the Company or any of its Subsidiaries which is now or in the future furnished pursuant to this Agreement or any other Credit Document and which is designated by the Company to the Banks in writing as confidential, PROVIDED that any Bank may disclose any such information (i) as has become generally available to the public, (ii) as may be required or appropriate in any report, examination, statement or testimony submitted to any municipal, state or federal regulatory body having or claiming to have jurisdiction over such Bank or to the Federal Reserve Board or the Federal Deposit Insurance Corporation or similar organizations (whether in the United States or elsewhere) or their successors, (iii) as may be required or appropriate in respect to any summons or subpoena or in connection with any litigation, (iv) in order to comply with any law, order, regulation or ruling applicable to such Bank, (v) to the Administrative Agent and (vi) to any prospective or actual transferee or participant in connection with any contemplated transfer or participation of any of the Notes or Revolving Loan Commitments or any interest therein by such Bank, PROVIDED, that such prospective transferee agrees to abide by the provisions contained in this Section.

(b) Each Borrower hereby acknowledges and agrees that each Bank may share with any of its affiliates any information related to the Company or any of its Subsidiaries (including, without limitation, any nonpublic customer information regarding the creditworthiness of the Company and its Subsidiaries, provided such Persons shall be subject to the provisions of this Section 13.15 to the same extent as such Bank).

SECTION 13.16. REGISTER. Each Borrower hereby designates the Administrative Agent to serve as such Borrower's agent, solely for purposes of this Section 13.16, to maintain a register (the "REGISTER") on which it will record the Commitments from time to time of each of the Banks, the Loans made by each of the Banks and each repayment in respect of the principal amount of the Loans of each Bank. Failure to make any such recordation, or any error in such recordation shall not affect such Borrower's obligations in respect of such Loans. With respect to any Bank, the transfer of the Commitment of such Bank and the rights to the principal of, and interest on, any Loan made pursuant to such Commitment shall not be effective until such transfer is recorded on the Register maintained by the Administrative Agent with respect to ownership of such Commitment and Loans and prior to such recordation all amounts owing to the transferor with respect to such Commitment and Loans shall remain owing to the transferor. The registration of assignment or transfer of all or part of any Commitments and Loans shall be recorded by the Administrative Agent on the Register only upon the acceptance by the

Administrative Agent of a properly executed and delivered Assignment and Assumption Agreement pursuant to Section 13.04(b). Coincident with the delivery of such an Assignment and Assumption Agreement to the Administrative Agent for acceptance and registration of assignment or transfer of all or part of a Loan, or as soon thereafter as practicable, the assigning or transferor Bank shall surrender the Note, if any, evidencing such Loan, and thereupon one or more new Notes, if requested by the transferor Bank and/or the new Bank, shall be issued to the assigning or transferor Bank and/or the new Bank. The Borrowers jointly and severally agree to indemnify the Administrative Agent from and against any and all losses, claims, damages and liabilities of whatsoever nature which may be imposed on, asserted against or incurred by the Administrative Agent in performing its duties under this Section 13.16.

SECTION 13.17. JUDGMENT CURRENCY. (a) The Borrowers' obligation hereunder and under the other Credit Documents to make payments in Dollars or any other currency (the "OBLIGATION CURRENCY") shall not be discharged or satisfied by any tender or recovery pursuant to any judgment expressed in or converted into any currency other than the Obligation Currency, except to the extent that such tender or recovery results in the effective receipt by the Administrative Agent or the respective Bank of the full amount of the Obligation Currency expressed to be payable to the Administrative Agent or such Bank under this Agreement or the other Credit Documents. If for the purpose of obtaining or enforcing judgment against any Borrower in any court or in any jurisdiction, it becomes necessary to convert into or from any currency other than the Obligation Currency (such other currency being hereinafter referred to as the "JUDGMENT CURRENCY") an amount due in the Obligation Currency, the conversion shall be made, at the rate of exchange (as quoted by the Administrative Agent or if the Administrative Agent does not quote a rate of exchange on such currency, by a known dealer in such currency designated by the Administrative Agent) determined, in each case, as of the day immediately preceding the day on which the judgment is given (such Business Day being hereinafter referred to as the "JUDGMENT CURRENCY CONVERSION DATE").

(b) If there is a change in the rate of exchange prevailing between the Judgment Currency Conversion Date and the date of actual payment of the amount due, the Borrowers covenant and agree to pay, or cause to be paid, such additional amounts, if any (but in any event not a lesser amount) as may be necessary to ensure that the amount paid in the Judgment Currency, when converted at the rate of exchange prevailing on the date of payment, will produce the amount of the Obligation Currency which could have been purchased with the amount of Judgment Currency stipulated in the judgment or judicial award at the rate or exchange prevailing on the Judgment Currency Conversion Date.

(c) For purposes of determining any rate of exchange for this Section 13.17, such amounts shall include any premium and costs payable in connection with the purchase of the Obligation Currency.

SECTION 13.18. RELEASE OF SUBSIDIARY GUARANTY. The Guaranty provided by a Subsidiary Guarantor will automatically be terminated upon the receipt by the Administrative Agent of a certificate from a Senior Financial Officer, certifying as of the date of the certificate that, after the consummation of the transaction or series of transactions described in such certificate (which certification shall also state that such transactions, individually or in the aggregate, will be in

compliance with the terms and conditions of this Agreement, including to the extent applicable, the covenants contained in Section 8, and that no Event of Default existed, exists or will exist, as the case may be, immediately before, as a result of, or immediately after giving effect to the transaction or transactions and the terminations), the Subsidiary identified in such certification will no longer be a Subsidiary of the Company. The Administrative Agent and each Bank shall, at the Company's expense, execute and deliver such instruments as the Company may reasonably request to evidence such termination.

IN WITNESS WHEREOF, the parties hereto have caused their duly authorized officers to execute and deliver this Agreement as of the date first above written.

SEALED AIR CORPORATION, as Borrower and Guarantor

By /s/ Daniel S. Van Riper

Title Senior Vice President &

Chief Financial Officer

SEALED AIR CORPORATION (US), as Borrower and Guarantor

By /s/ Daniel S. Van Riper

Title Vice President

CRYOVAC, INC., as Borrower and Guarantor

By /s/ Daniel S. Van Riper

Title Vice President

CRYOVAC AUSTRALIA PTY. LIMITED, as Borrower

By /s/ Daniel S. Van Riper

Title Director

SEALED AIR (CANADA) INC., as Borrower

By /s/ Daniel S. Van Riper

Title Attorney-in-fact

SEALED AIR (NEW ZEALAND LIMITED), as
Borrower

By /s/ Daniel S. Van Riper

Title Director

SEALED AIR ARGENTINA S.A., as Borrower

By /s/ Daniel S. Van Riper

Title Attorney-in-fact

ADDRESS: BANK OF AMERICA, N.A., as Administrative Agent

101 North Tryon Street
Charlotte, NC 28255-0001
Attention: Laura Schultz
Mail Code NC1-001-15-03
Telephone: (704) 388-6484
Telecopy: (704) 409-0008

By /s/ Donald J. Chin

Title Managing Director

With copy to:
335 Madison Avenue
New York, NY 10017
Attn: Donald Chin
Mail Code: NY1-503-05-13
Telephone: (212) 503-8453
Telecopy: (212) 503-7878

ADDRESS:

101 North Tryon Street
Charlotte, NC 28255-0001
Attention: Laura Schultz
Mail Code NC1-001-15-03
Telephone: (704) 388-6484
Telecopy: (704) 409-0008

BANK OF AMERICA, N.A., as a Bank, Issuing
Agent and Swingline Lender

By /s/ Donald J. Chin

Title Managing Director

With copy to:
335 Madison Avenue
New York, NY 10017
Attn: Donald Chin
Mail Code: NY1-503-05-13
Telephone: (212) 503-8453
Telecopy: (212) 503-7878

ADDRESS:

Deutsche Bank AG
31 W. 52nd Street
New York, NY 10019
Telephone: (212) 469-8648
Telecopy: (212) 469-8701

DEUTSCHE BANK AG NEW YORK BRANCH
and/or CAYMAN ISLANDS BRANCH

By /s/ Jean M. Hannigan

Title Director

By /s/ Stephanie Strohe

Title Associate

ADDRESS:

100 Federal Street
Boston, MA 07110
Telephone: (617) 434-8326
Telecopy: (617) 434-0601

FLEET NATIONAL BANK

By /s/ Marwan Isbaih

Title Director

ADDRESS:

711 Fifth Avenue
16th Floor
New York, NY 10022
Telephone: (212) 583-2604
Telecopy: (212) 371-9386

SUNTRUST BANK

By /s/ W. David Wisdom

Title Vice President

S-7

ADDRESS:

1301 Avenue of the Americas
New York, NY 10019
Telephone: (212) 261-7000
Telecopy: (212) 459-3129

CREDIT LYONNAIS NEW YORK BRANCH

By /s/ Rod Hurst

Title Vice President

S-8

ADDRESS:

388 Greenwich Street
23rd Floor
New York, NY 10013
Telephone: (212) 816-5414
Telecopy: (212) 816-5402

CITIBANK, N.A.

By /s/ William Martens

Title Managing Director

ADDRESS:

One South Broad Street - 13th Floor
Philadelphia, PA 19107
Telephone: (267) 256-4043
Telecopy: (267) 256-4001

NATIONAL CITY BANK

By /s/ Melissa G. Landay

Title VICE PRESIDENT

ADDRESS:

787 Seventh Avenue
New York, NY 10019
Telephone: (212) 841-3404
Telecopy: (212) 841-3049

BNP PARIBAS

By /s/ CHRISTOPHER CRISWELL

Title Director

By /s/ Arnaud Collin du Bocage

Title Managing Director

ADDRESS:

125 W 55th Street
New York, NY 10019
Telephone: (212) 541-0600
Telecopy: (212) 541-0793

KBC BANK NV

By /s/ Jean-Pierre Diels

Title First Vice President

By /s/ Wei-Chun Wang

Title Associate

ADDRESS:

151 O'Connor Street
Ottawa, Ontario
Canada K1A 1K3
Telephone: (613) 597-8508
Telecopy: (613) 597-8503

EXPORT DEVELOPMENT CORPORATION

By /s/ CARL BURLOCK

Title Financial Services Manager

By /s/ PATRIZIA A. CAPPELLI

Title Financial Services Manager

ADDRESS:

MELLON BANK, N.A.

1735 Market Street
Philadelphia, PA 19103
Telephone: (215) 553-3243
Telecopy: (215) 553-4899

By /s/ Maria N. Sisto

Title Vice President

S-14

ADDRESS:

1114 Avenue of the Americas
New York, NY 10036
Telephone: (212) 812-6805
Telecopy: (212) 812-6860

NORDEUTSCHE LANDESBANK GIROZENTRALE

By /s/ JOSEF HAAS

Title Vice President

By /s/ Stephanie Finnen

Title Vice President

SCHEDULE 1.01

COMMITMENTS

BANK NAME	COMMITMENT
Bank of America, NA	18,750,000.00
Deutsche Bank AG New York Branch and/or Cayman Islands Branch	25,000,000.00
Fleet National Bank	25,000,000.00
SunTrust Bank	25,000,000.00
Credit Lyonnais New York Branch	24,375,000.00
Citibank, N.A.	20,000,000.00
National City Bank	15,000,000.00
BNP Paribas	11,250,000.00
KBC Bank NV	11,250,000.00
Export Development Corporation	6,250,000.00
Mellon Bank N.A.	6,250,000.00
Norddeutsche Landesbank Girozentrale	6,250,000.00

SCHEDULE 6.11

MATERIAL SUBSIDIARIES

Cryovac, Inc.

Sealed Air Corporation (US)

Sealed Air B.V.

Sealed Air Finance II B.V.

Sealed Air Limited

Dolphin Packaging Ltd.

Sealed Air S.A.S.

Cryovac Australia Pty. Ltd.

Sealed Air Srl

Sealed Air (New Zealand) Ltd.

Sealed Air GmbH

Sealed Air (Canada) Inc.

Sealed Air de Mexico, S.A. de C.V.

Cryovac Brazil Ltda.

Sealed Air Argentina S.A.

SCHEDULE 8.04(B)
EXISTING INDEBTEDNESS

MATERIAL SUBSIDIARY	CURRENCY/AMOUNT	
Sealed Air Corporation (US)	U.S.\$	2,214,000
Sealed Air (Canada) Inc.	CAD\$	8,000,000
Sealed Air S.A.S.	French Francs	223,000,000
Sealed Air GmbH	Deutsche Marks	35,000,000
Sealed Air B.V.	Dutch Guilders	6,060,000
Sealed Air Finance II BV	Dutch Guilders	1,310,000
Sealed Air SRL	Italian Lira	34,900,000,000
Dolphin Packaging Limited	Sterling	7,009,000
Sealed Air Limited	Sterling	7,200,000
Sealed Air Argentina S.A.	Argentina Pesos	13,020,000
Cryovac Brazil LTDA	Brazilian Reals	51,240,000
Sealed Air Mexico, S.A. de C.V.	Mexican Pesos	400,000,000
Cryovac Australia Pty. Ltd.	Australian Dollars	100,193,000
Sealed Air (New Zealand) Ltd.	New Zealand Dollars	82,000,000

EXHIBIT A-1

NOTICE OF REVOLVING CREDIT BORROWING

[Date]

Bank of America, N.A., as Administrative Agent
for the Banks party to
the Credit Agreement
referred to below

101 North Tryon Street
Charlotte, NC 28255
Attention: Agency Services

Gentlemen:

The undersigned refers to the Global Revolving Credit Agreement (364-Day), dated as of March 23, 2001 (as amended, modified or supplemented from time to time, the "CREDIT Agreement;" the terms defined therein being used herein as therein defined), among Sealed Air Corporation and certain of its subsidiaries, as Borrowers, Sealed Air Corporation and certain Domestic Subsidiaries, as Guarantors, the lenders from time to time party thereto (the "Banks"), you, as Administrative Agent for such Banks, and Banc of America Securities LLC, as Lead Arranger and Book Manager, and hereby gives you notice, irrevocably, pursuant to Section 1.03(a) of the Credit Agreement, that the undersigned hereby requests a Borrowing under the Credit Agreement, and in that connection sets forth below the information relating to such Borrowing (the "PROPOSED BORROWING") as required by Section 1.03(a) of the Credit Agreement:

(i) The Business Day of the Proposed Borrowing is _____,
____.(1)

(ii) The aggregate principal amount of the Proposed Borrowing is
\$_____.

(iii) The Proposed Borrowing will be a Revolving Loan.

(iv) The Proposed Borrowing is to be initially maintained as a [Base
Rate Loan] [Eurocurrency Loan with an initial Interest Period of _____
months].

- -----

(1) Same Business Day notice is permitted for a Proposed Borrowing of Base Rate Loans, at least three Business Days' prior notice is required for a Proposed Borrowing of Eurocurrency Loans denominated in U.S. Dollars and at least four Business Days' prior notice is required for a Proposed Borrowing of non-U.S. Dollar denominated Eurocurrency Loans.

(v) The applicable Borrower shall be _____.

(vi) The Proposed Borrowing will be denominated in _____.

The undersigned hereby certifies that the following statements will be true on the date of the Proposed Borrowing:

(A) the representations and warranties contained in the Credit Agreement (other than Section 6.05) and in the other Credit Documents will be true and correct in all material respects, both before and after giving effect to the Proposed Borrowing and to the application of the proceeds thereof, with the same effect as though such representations and warranties had been made on and as of the date of such Proposed Borrowing (it being understood that any representation or warranty which by its terms is made as of a specified date shall be required to be true and correct in all material respects only of such specified date); and

(B) no Default has occurred and is continuing, or would result from such Proposed Borrowing or from the application of the proceeds thereof.

Very truly yours,

SEALED AIR CORPORATION

By _____
Name: _____
Title: _____

(2) Must be denominated in U.S. Dollars or in any Eurocurrency.

EXHIBIT A-2

NOTICE OF BID BORROWING

[Date]

Bank of America, N.A., as Administrative Agent
for the Banks party to
the Credit Agreement
referred to below

101 North Tryon Street
Charlotte, NC 28255
Attention: Agency Services

Gentlemen:

The undersigned refers to the Global Revolving Credit Agreement (364-Day), dated as of March 23, 2001 (as amended, modified or supplemented from time to time, the "CREDIT AGREEMENT"; the terms defined therein being used herein as therein defined), among Sealed Air Corporation and certain of its subsidiaries, as Borrowers, Sealed Air Corporation and certain Domestic Subsidiaries, as Guarantors, the lenders from time to time party thereto (the "Banks"), you, as Administrative Agent for such Banks, and Banc of America Securities LLC, as Lead Arranger and Book Manager, and hereby gives you notice, irrevocably, pursuant to Section 1.04(a) of the Credit Agreement, that the undersigned hereby requests a Borrowing under the Credit Agreement, and in that connection sets forth below the information relating to such Borrowing (the "PROPOSED BORROWING") as required by Section 1.04(a) of the Credit Agreement:

- (i) The date of the Proposed Bid Borrowing(1) _____
- (ii) The Proposed Bid Borrowing is to be of
[Absolute Rate Bid Loans, and Banks
should quote an Absolute Rate]

[Eurodollar Rate Bid Loans, and Banks
should quote a Bid Rate Margin
(indicating whether "Plus" or "Minus"
the applicable Eurocurrency Rate)]

- - - - -
(1) At least one Business Day's prior notice is required for a Proposed Bid Borrowing of Absolute Rate Bid Loans and at least five Business Days' prior notice is required for a Proposed Bid Borrowing of Eurodollar Rate Bid Loans.

- (iii) Aggregate Principal Amount of each Proposed Bid Borrowing(2) _____
- (iv) Maturity Date for each Proposed Bid Borrowing(3) _____
- (v) Interest Payment Dates for each Proposed Bid Borrowing _____

The undersigned hereby certifies that the following statements will be true on the date of the Proposed Borrowing:

(A) the representations and warranties contained in the Credit Agreement (other than Section 6.05) and in the other Credit Documents will be true and correct in all material respects, both before and after giving effect to the Proposed Borrowing and to the application of the proceeds thereof, with the same effect as though such representations and warranties had been made on and as of the date of such Proposed Borrowing (it being understood that any representation or warranty which by its terms is made as of a specified date shall be required to be true and correct in all material respects only as of such specified date); and

(B) no Default has occurred and is continuing, or would result from such Proposed Borrowing or from the application of the proceeds thereof.

Very truly yours,

SEALED AIR CORPORATION

By _____
 Name: _____
 Title: _____

-
- (2) Not less than \$5,000,000 or an integral multiple of \$1,000,000 in excess thereof.
 - (3) Must be 1 to 180 days, in the case of Absolute Rate Bid Loans, and one, two, three or six months, in the case of Eurodollar Rate Bid Loans, after the date of such Proposed Bid Borrowing and in any case of no later than the Final Maturity Date.

EXHIBIT B-1
REVOLVING NOTE

New York, New York

_____ —, _____

FOR VALUE RECEIVED, [NAME OF BORROWER], a corporation organized and existing under the laws of _____ (the "COMPANY"), hereby promises to pay to _____ or its registered assigns (the "BANK"), at the office of Bank of America, N.A. (the "ADMINISTRATIVE AGENT") located at 101 North Tryon Street, Charlotte, NC 28255 (or, in the case of Eurocurrency Loans denominated in a currency other than Dollars, at such office as the Administrative Agent has previously notified the Borrower) on the Final Maturity Date (as defined in the Agreement referred to below) the unpaid principal amount of all Revolving Loans (as defined in the Agreement) made by the Bank to the Company pursuant to the Agreement, in each case in the applicable currency of such Revolving Loan in accordance with Section 4.03 of the Agreement.

The Company promises also to pay interest on the unpaid principal amount of each Revolving Loan in like money at said office from the date hereof until paid at the rates and at the times provided in Section 1.09 of the Agreement.

This Note is one of the Revolving Notes referred to in the Global Revolving Credit Agreement (364-Day), dated as of March 23, 2001, among Sealed Air Corporation and certain of its subsidiaries, as Borrowers, Sealed Air Corporation and certain Domestic Subsidiaries, as Guarantors, the lenders party thereto (including the Bank), the Administrative Agent, and Banc of America Securities LLC, as Lead Arranger and Book Manager (as from time to time in effect, the "AGREEMENT") and is entitled to the benefits thereof and the other Credit Documents (as defined in the Agreement). This Note is entitled to the benefits of the Guaranty (as defined in the Agreement). As provided in the Agreement, this Note is subject to voluntary prepayment and mandatory repayment, in whole or in part, prior to the Final Maturity Date.

In case an Event of Default (as defined in the Agreement) shall occur and be continuing, the principal of and accrued interest on this Note may be declared to be due and payable in the manner and with the effect provided in the Agreement.

The Company hereby waives presentment, demand, protest or notice of any kind in connection with this Note.

THIS NOTE SHALL BE CONSTRUED IN ACCORDANCE WITH AND BE GOVERNED BY THE LAWS OF THE STATE OF NEW YORK.

[NAME OF BORROWER]

By _____
Name: _____
Title: _____

B-1-2

EXHIBIT B-2

BID NOTE

New York, New York

_____ , _____

FOR VALUE RECEIVED, SEALED AIR CORPORATION, a corporation organized and existing under the laws of the State of Delaware (the "COMPANY"), hereby promises to pay to _____ or its registered assigns (the "BANK"), at the office of Bank of America, N.A. (the "ADMINISTRATIVE AGENT") located at 101 North Tryon Street, Charlotte, NC 28255, the unpaid principal amount of each Bid Loan (as defined in the Agreement referred to below) made by the Bank to the Company pursuant to the Agreement on the applicable maturity date agreed to by the Company and the Bank for such Bid Loan pursuant to Section 1.04 of the Agreement.

The Company promises also to pay interest on the unpaid principal amount hereof at said office from the date hereof until paid at the rates and at the times provided in Section 1.04(d) of the Agreement.

This Note is one of the Bid Notes referred to in the Global Revolving Credit Agreement (364-Day), dated as of March 23, 2001, among Sealed Air Corporation and certain of its subsidiaries, as Borrowers, Sealed Air Corporation and certain Domestic Subsidiaries, as Guarantors, the lenders party thereto (including the Bank), the Administrative Agent, and Banc of America Securities LLC, as Lead Arranger and Book Manager (as from time to time in effect, the "AGREEMENT") and is entitled to the benefits thereof and the other Credit Documents (as defined in the Agreement). This Bid Note is entitled to the benefits of the Guaranty (as defined in the Agreement). As provided in the Agreement, this Bid Note is subject to mandatory repayment, in whole or in part, prior to the Final Maturity Date.

In case an Event of Default (as defined in the Agreement) shall occur and be continuing, the principal of and accrued interest on this Bid Note may be declared to be due and payable in the manner and with the effect provided in the Agreement.

The Company hereby waives presentment, demand, protest or notice of any kind in connection with this Bid Note.

THIS BID NOTE SHALL BE CONSTRUED IN ACCORDANCE WITH AND BE GOVERNED BY THE LAWS OF THE STATE OF NEW YORK.

SEALED AIR CORPORATION

By _____
Name: _____
Title: _____

B-2-2

EXHIBIT B-3

LOCAL CURRENCY NOTE

_____ / _____

FOR VALUE RECEIVED, [NAME OF BORROWER], a corporation organized and existing under the laws of _____ (the "COMPANY"), hereby promises to pay to _____ or its registered assigns (the "BANK"), in lawful money of _____ in immediately available funds, at the office of the Bank located at _____ in accordance with the Local Currency Documentation (as defined in the Agreement referred to below) the unpaid principal amount of all Local Currency Loans (as defined in the Agreement) made by the Bank to the Company pursuant to the Agreement and the Local Currency Documentation.

The Company promises also to pay interest on the unpaid principal amount hereof in like money at said office from the date hereof until paid at the rates and at the times provided in the Local Currency Documentation.

This Note is one of the Local Currency Notes referred to in the Global Revolving Credit Agreement (364-Day), dated as of March 23, 2001, among Sealed Air Corporation and certain of its subsidiaries, as Borrowers, Sealed Air Corporation and certain Domestic Subsidiaries, as Guarantors, the lenders party thereto (including the Bank), Bank of America, N.A., as Administrative Agent, and Banc of America Securities LLC, as Lead Arranger and Book Manager (as from time to time in effect, the "AGREEMENT") and is entitled to the benefits thereof, the Local Currency Documentation and the other Credit Documents (as defined in the Agreement). This Note is entitled to the benefits of the Guaranty (as defined in the Agreement). As provided in the Agreement, this Note is subject to voluntary prepayment and mandatory repayment, in whole or in part, prior to the Final Maturity Date.

In case an Event of Default (as defined in the Agreement) shall occur and be continuing, the principal of and accrued interest on this Note may be declared to be due and payable in the manner and with the effect provided in the Agreement.

The Company hereby waives presentment, demand, protest or notice of any kind in connection with this Note.

THIS NOTE SHALL BE CONSTRUED IN ACCORDANCE WITH AND BE GOVERNED BY THE LAWS OF THE STATE OF NEW YORK.

[NAME OF BORROWER]

By _____
Name: _____
Title: _____

B-3-2

EXHIBIT C

LETTER OF CREDIT REQUEST

No. _____(1)_____

Dated _____(2)_____

Bank of America, N.A., Individually and as Administrative Agent under the Global Revolving Credit Agreement (364-Day) (the "CREDIT Agreement"), dated as of March 23, 2001, among Sealed Air Corporation and certain of its subsidiaries, as Borrowers, Sealed Air Corporation and certain Domestic Subsidiaries, as Guarantors, the lenders from time to time party thereto (the "BANKS"), Bank of America, N.A., as Administrative Agent, and Banc of America Securities LLC, as Lead Arranger and Book Manager

101 North Tryon Street, Charlotte,
NC 28255
Attention: Agency Services

Dear Sirs:

We hereby request that Bank of America, N.A., in its individual capacity, issue a standby Letter of Credit for the account of the undersigned on _____(3)_____ (the "DATE OF ISSUANCE") in the aggregate stated amount of _____(4)_____

For purposes of this Letter of Credit Request, unless otherwise defined herein, all capitalized terms used herein which are defined in the Credit Agreement shall have the respective meaning provided therein.

- - - - -

- (1) Letter of Credit Request Number.
- (2) Date of Letter of Credit Request.
- (3) Date of Issuance which shall be at least five Business Days from the date hereof and prior to the date 30 days prior to the Final Maturity Date.
- (4) Aggregate initial stated amount of Letter of Credit, which amount shall not be less than \$250,000.

The beneficiary of the requested Letter of Credit will be _____(5)____, and such Letter of Credit will be in support of _____(6)____ and will have a stated expiration date of _____(7)_____.

We hereby certify that:

(1) The representations and warranties contained in the Credit Agreement (other than Section 6.05) and the other Credit Documents will be true and correct in all material respects, both before and after giving effect to the issuance of the Letter of Credit requested hereby, as though made on the Date of Issuance (it being understood that any representation or warranty which by its terms is made as of a specified date shall be required to be true and correct in all material respects as of such specified date).

(2) No Default has occurred and is continuing nor, after giving effect to the issuance of the Letter of Credit requested hereby, would such a Default occur.

Copies of all documentation with respect to the supported transaction are attached hereto.

SEALED AIR CORPORATION

By _____
Title: _____

- - - - -
- (5) Insert name and address of beneficiary.
 - (6) Insert description of obligation to be supported by the requested Letter of Credit.
 - (7) Insert last date upon which drafts may be presented which may not be later than the fifth Business Day prior to the Final Maturity Date.

EXHIBIT D

SECTION 4.04(b)(ii) CERTIFICATE

Reference is hereby made to the Global Revolving Credit Agreement (364-Day) dated as of March 23, 2001 (the "CREDIT AGREEMENT"), among Sealed Air Corporation and certain of its subsidiaries, as Borrowers, Sealed Air Corporation and certain Domestic Subsidiaries, as Guarantors, the lenders from time to time party thereto (the "BANKS"), Bank of America, N.A., as Administrative Agent, and Banc of America Securities LLC, as Lead Arranger and Book Manager. Pursuant to the provisions of Section 4.04(b)(ii) of the Credit Agreement, the undersigned hereby certifies that it is not a "bank" as such term is used in Section 881(c)(3)(A) of the Internal Revenue Code of 1986, as amended.

[NAME OF BANK]

By: _____
Name: _____
Title: _____

Date:

EXHIBIT E-1
March 23, 2001

To the Banks and the Agent
Referred to Below
c/o Bank of America, N.A.
101 North Tryon Street
Charlotte, NC 28255

Ladies and Gentlemen:

We have acted as special New York counsel to Sealed Air Corporation, a Delaware corporation (the "Company"), in connection with the Credit Agreement dated as of March 23, 2001 (the "Credit Agreement") among the Company, certain of its subsidiaries, the lenders listed on the signature pages thereof (the "Lenders"), Bank of America, N.A., as Administrative Agent (the "Agent"), and Banc of America Securities LLC, as Lead Arranger and Book Manager. Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Credit Agreement. This opinion is furnished to you, at the request of the Company, pursuant to Section 5.01(b)(i) of the Credit Agreement.

We have examined originals or copies, certified or otherwise identified to our satisfaction, of such documents, corporate records, certificates of public officials and other instruments and have conducted such other investigations of fact and law as we have deemed necessary or advisable for purposes of this opinion.

On the basis of the foregoing, we are of the opinion that:

1. The Credit Agreement (including the Guaranty) constitutes a valid and binding agreement of, and is enforceable in accordance with its terms against, the Company, each other Borrower that is a party thereto on the date hereof and each Subsidiary Guarantor that is a party thereto on the date hereof (each such entity being referred to as an "Obligor").

2. Each Note executed and delivered today by any Borrower constitutes a valid and binding obligation of such Borrower, enforceable in accordance with its terms.

3. The execution and delivery by each Obligor of the Credit Agreement (and, where applicable, its Notes), and the performance by each Obligor of its obligations thereunder, do not and will not contravene any provision of applicable New York or U.S. Federal law.

The foregoing opinions are subject to the following limitations, qualifications, exceptions and assumptions:

(A) We express no opinion as to the effect (if any) of any law of any jurisdiction (other U.S. Federal law and the laws of the State of New York) in which any

Lender is located which may limit the rate of interest that such Lender may charge or collect.

(B) Our opinions are subject to the effects of applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally and equitable principles of general applicability.

(C) We express no opinion as to: (i) whether a federal or state court outside of the State of New York would give effect to the choice of New York law provided for in the Credit Agreement; (ii) provisions of the Credit Agreement that relate to the subject matter jurisdiction of the federal courts to adjudicate any controversy related to the Credit Agreement or the transactions contemplated thereby; or (iii) any waiver of the defense of inconvenient forum (other than with respect to venue in New York State court) or of the right to a jury trial in any of the Credit Agreement.

(D) We have assumed that: (i) all factual information contained in all documents reviewed by us is true and correct; (ii) all signatures on all documents reviewed by us are genuine; (iii) all documents submitted to us as originals are true and complete; (iv) all documents submitted as copies are true and complete copies of the originals thereof; (v) each Obligor is validly existing and, to the extent applicable, in good standing under the laws of its jurisdiction of organization, (vi) the execution and delivery by each Obligor of the Credit Agreement and, where applicable, its Notes, and the performance by each Obligor of all of its obligations thereunder, are within its corporate powers, have been duly authorized by all necessary corporate action on the part of such Obligor and do not contravene the articles or certificate of incorporation or bylaws or other constitutive documents of such Obligor. We have further assumed that each Obligor has duly executed and delivered the Credit Agreement and, where applicable, its Notes.

In rendering our opinions above, we have relied as to factual matters on such certificates of the Company's officers or of governmental officials as we have deemed relevant or necessary for such opinions.

We are members of the Bar of the State of New York and our opinion is limited to the laws of the State of New York, the general corporation law of the State of Delaware and the Federal laws of the United States at the date hereof.

This opinion is rendered solely to you in connection with the above matter. This opinion may not be relied upon by you for any other purpose or relied upon by or furnished to any other person without our prior written consent, except that it may be relied upon by any assignee that becomes a Bank pursuant to Section 13.04(b) of the Credit Agreement as though addressed to it.

Very truly yours,

March 23, 2001

To the Administrative Agent and each of the Banks
party to the Credit Agreement referred to below

Re: Global Revolving Credit Agreement (364-Day) dated as of March 23, 2001 ("CREDIT AGREEMENT") among Sealed Air Corporation (the "COMPANY"), Cryovac, Inc., a Delaware corporation and a wholly owned subsidiary of the Company ("CRYOVAC"), Sealed Air Corporation (US), a Delaware corporation and a wholly owned subsidiary of the Company ("SEALED AIR (US)") and the additional Subsidiaries of the Company that are parties thereto, Bank of America, N.A., as Administrative Agent, and the Banks party thereto

Ladies and Gentlemen:

As General Counsel and Secretary of the Company, I have been requested to render my opinion in connection with the Credit Agreement. I am rendering this opinion pursuant to Section 5.01(b)(ii) of the Credit Agreement. Capitalized terms used but not defined in this opinion shall have the meanings ascribed thereto in the Credit Agreement.

I have examined originals, or copies identified to my satisfaction, of such corporate records of the Company, Cryovac and Sealed Air (US), certificates of public officials and of officers of the Company, Cryovac and Sealed Air (US) and such other documents as I have deemed necessary to furnish a basis for the opinions expressed below.

Based on the foregoing, and subject to the qualifications set forth herein, I am of the opinion that:

1. The Company has been duly incorporated and organized and is validly existing and in good standing as a corporation under the laws of the State of Delaware, and has the corporate power and authority under such laws to execute and deliver the Credit Agreement and perform its obligations as a Borrower and Guarantor under the Credit Agreement. Neither the execution nor delivery by the Company of the Credit Agreement, nor performance by the Company of its obligations thereunder thereby contravenes the certificate of incorporation or by-laws, each as amended to the date hereof, of the Company. The Credit Agreement has been duly authorized by all necessary corporate action on the part of the Company and has been duly executed and delivered by the Company.

2. Cryovac has been duly incorporated and organized and is validly existing and in good standing as a corporation under the laws of the State of Delaware, and has the corporate power and authority under such laws to execute and deliver the Credit Agreement and perform its obligations as a Borrower and Guarantor under the Credit Agreement. Neither the execution nor delivery by Cryovac of the Credit Agreement, nor performance by Cryovac of its obligations thereunder contravenes the certificate of incorporation or by-laws, each as amended to the date hereof, of Cryovac. The Credit Agreement has been duly authorized by all necessary corporate action on the part of Cryovac and has been duly executed and delivered by Cryovac.

3. Sealed Air (US) has been duly incorporated and organized and is validly existing and in good standing as a corporation under the laws of the State of Delaware, and has the corporate power and authority under such laws to execute and deliver the Credit Agreement and perform its obligations as a Borrower and Guarantor under the Credit Agreement. Neither the execution nor delivery by Sealed Air (US) of the Credit Agreement, nor performance by Sealed Air (US) of its obligations thereunder contravenes the certificate of incorporation or by-laws, each as amended to the date hereof, of Sealed Air (US). The Credit Agreement has been duly authorized by all necessary corporate action on the part of Sealed Air (US) and has been duly executed and delivered by Sealed Air (US).

4. No consent or authorization of, filing with, notice to or other similar act by or in respect of any New York, Delaware or United States federal governmental or regulatory authority or agency is required to be obtained or made by or on behalf of the Company, Sealed Air (US) or Cryovac as a condition to (i) the execution, delivery or performance of the Credit Agreement or (ii) the legality, validity, binding effect or enforceability of the Credit Agreement, except for such consents, approvals, authorizations or other actions as have been obtained or performed.

5. Neither the execution nor the delivery by the Company, Sealed Air (US) or Cryovac of the Credit Agreement, nor the performance by the Company, Sealed Air (US) or Cryovac of their respective obligations thereunder, to the best of my knowledge, (i) results in the breach of any of the terms, covenants, conditions or provisions of, or constitutes a default under, or results in the creation or imposition of (or the obligation to create or impose) any Lien upon any of the properties or assets of the Company, Sealed Air (US) or Cryovac pursuant to the terms of any material indenture, loan agreement or other agreement or instrument under which the Company, Sealed Air (US) or Cryovac or any of their respective properties or assets are bound; or (ii) violates any order, award, judgment, determination, writ, injunction or decree applicable to the Company, Sealed Air (US) or Cryovac.

6. Except as set forth in the Annual Report on Form 10-K filed by the Company for the year ended December 31, 1999 or otherwise disclosed to the Banks, the Administrative Agent or counsel retained by the Administrative Agent in connection with the transactions contemplated by the Credit Agreement, to the best of my knowledge after due inquiry, there is no action, suit, proceeding or investigation at law or in equity before

or by any court or public body pending or threatened against or affecting the Company, Sealed Air (US) or Cryovac or any of their respective assets and properties which, if adversely determined, could result in any material adverse change in the properties, business, operations or financial condition of the Company and its Subsidiaries, taken as a whole.

I am qualified to practice law in the State of New Jersey. Accordingly, I express no opinion as to any laws other than the laws of the State of New Jersey, the General Corporation law of the State of Delaware and the federal laws of the United States.

This opinion is limited to the specific issues addressed herein and is limited in all respects to laws and interpretations thereof and other matters existing on the date hereof. I do not undertake to update this opinion for changes in such laws, interpretations or matters. This opinion is furnished solely for your benefit, and the benefit of your successors and permitted assignees with respect to your rights under the Credit Agreement, is not to be relied upon for any other purpose and may not be made available to any other person, firm or entity (other than such a permitted assignee or prospective permitted assignee) without my express prior written consent, except as may be required by law or in response to any judicial or regulatory requirement, order or decree.

Very truly yours,

H. Katherine White
General Counsel and Secretary

EXHIBIT F-1

SECRETARY'S CERTIFICATE

I, the undersigned _____ Secretary of [Name of Borrower], a corporation organized and existing under the laws of (the "COMPANY"), do hereby certify in my capacity as _____ Secretary of the Company and on behalf of the Company that:

1. This Certificate is furnished pursuant to Section 5.01(c) of the Global Revolving Credit Agreement (364-Day), dated as of March 23, 2001 among Sealed Air Corporation and certain of its subsidiaries, as Borrowers, Sealed Air Corporation and certain Domestic Subsidiaries, as Guarantors, the lenders from time to time party thereto (the "BANKS"), Bank of America, N.A., as Administrative Agent, and Banc of America Securities LLC, as Lead Arranger and Book Manager (such Credit Agreement, as in effect on the date of this Certificate, being herein called the "CREDIT AGREEMENT"). Unless otherwise defined herein, capitalized terms used in this Certificate shall have the meanings set forth in the Credit Agreement.

2. The persons named below have been duly elected, have duly qualified as and at all times since _____(1) (to and including the date hereof) have been officers of the Company, holding the respective offices of the Company set forth opposite their names and the signatures below set opposite their names are their genuine signatures or a facsimile thereof.

NAME(2)	OFFICE	SIGNATURE
-----	-----	-----
-----	-----	-----
-----	-----	-----

3. Attached hereto as Exhibit A is a copy of the [describe appropriate charter documents] of the Company as filed in the [describe appropriate filing office], together with all amendments thereto adopted through the date hereof.

4. Attached hereto as Exhibit B is a true and correct copy of the By-Laws of the Company which were duly adopted, and are in full force and effect on the date hereof,

- - - - -
- (1) Insert a date occurring before any action taken with regard to the Credit Documents.
- (2) Include name, office and signature of each officer who will sign any Credit Document, including the officer who will sign the certification at the end of this Certificate.

and have been in effect since _____, _____, together with all amendments thereto adopted through the date hereof.(3)

5. Attached hereto as Exhibit C is a true and correct copy of resolutions which were duly adopted on _____, _____ [by unanimous written consent of the Board of Directors of the Company] [at a meeting of the Board of Directors of the Company duly called and held, at which meeting a quorum of such Board was at all times present in person and acting throughout], and such resolutions have not been revoked, rescinded, amended or modified. Except as attached hereto as Exhibit C, no resolutions have been adopted by the Board of Directors of the Company which deal with the execution, delivery or performance of the Credit Documents.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of _____, _____.

By _____
Name: _____
Title: _____

- - - - -
(3) Insert same date as in paragraph 2.

EXHIBIT F-2

OFFICER'S CERTIFICATE

I, the undersigned [title] of [Name of Borrower], a corporation organized and existing under the laws of _____ (the "COMPANY"), do hereby certify in my capacity as [title] of the Company and on behalf of the Company that:

1. This Certificate is furnished pursuant to Section 5.01(c) of the Global Revolving Credit Agreement (364-Day), dated as of March 23, 2001 among Sealed Air Corporation and certain of its subsidiaries, as Borrowers, Sealed Air Corporation and certain Domestic Subsidiaries, as Guarantors, the lenders from time to time party thereto (the "BANKS"), Bank of America, N.A., as Administrative Agent, and Banc of America Securities LLC, as Lead Arranger and Book Manager (such Credit Agreement, as in effect on the date of this Certificate, being herein called the "CREDIT AGREEMENT"). Unless otherwise defined herein, capitalized terms used in this Certificate shall have the meanings set forth in the Credit Agreement.

2. On the date hereof to the extent they relate to the Company, all of the conditions in Sections 5.01(a) and (d) [and (e)]* of the Credit Agreement and Section 5.02(a) of the Credit Agreement have been satisfied.

3. The financial projections (the "PROJECTIONS") contained in that certain Confidential Information Memorandum dated March 2001 distributed to the Banks in connection with the Credit Agreement were based on good faith estimates and assumptions made by the management of the Company and its Subsidiaries as of the date such Confidential Information Memorandum was distributed to the Banks. On and as of the Effective Date, nothing has come to the attention of such management since the date of such Confidential Information Memorandum which would lead such management to believe that the Projections were not, on the date such Confidential Memorandum was distributed to the Banks, reasonable and attainable in all material respects, it being understood, however, that no attempt has been made to update the projections and projections as to future events are not to be viewed as facts and that the actual results during the period or periods covered by the Projections probably will differ from the projected results and that the differences may be material.*

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of _____, _____.

By _____
Name: _____

- - - - -
* Insert only in the Certificate of Sealed Air Corporation.

EXHIBIT G

ASSIGNMENT AND ASSUMPTION AGREEMENT

Date: _____, _____

Reference is made to the Global Revolving Credit Agreement (364-Day) described in Item 2 of Annex I hereto (as such Credit Agreement may hereafter be amended, supplemented or otherwise modified from time to time, the "CREDIT AGREEMENT"). Unless defined in Annex I hereto, terms defined in the Credit Agreement are used herein as therein defined. _____ (the "ASSIGNOR") and _____ (the "ASSIGNEE") hereby agree as follows:

1. The Assignor hereby sells and assigns to the Assignee without recourse and without representation or warranty (other than as expressly provided herein), and the Assignee hereby purchases and assumes from the Assignor, that interest in and to all of the Assignor's rights and obligations under the Credit Agreement as of the date hereof which represents the percentage interest specified in Item 4 of Annex I hereto (the "ASSIGNED SHARE") of all of the outstanding rights and obligations under the Credit Agreement relating to the facilities listed in Item 4 of Annex I hereto, including, without limitation, all rights and obligations with respect to the Assigned Share of the Revolving Loans, Swingline Loans and Letters of Credit.

2. The Assignor (i) represents and warrants that it is the legal and beneficial owner of the interest being assigned by it hereunder and that such interest is free and clear of any adverse claim; (ii) makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with the Credit Agreement or the other Credit Documents or the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Credit Agreement or the other Credit Documents or any other instrument or document furnished pursuant thereto; and (iii) makes no representation or warranty and assumes no responsibility with respect to the financial condition of the Company and its Subsidiaries or the performance or observance by the Company and its Subsidiaries of any of their obligations under the Credit Agreement or the other Credit Documents to which they are a party or any other instrument or document furnished pursuant thereto.

3. The Assignee (i) confirms that it has received a copy of the Credit Agreement and the other Credit Documents, together with copies of the financial statements referred to therein 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 Agreement; (ii) agrees that it will, independently and without reliance upon the Administrative Agent, the Assignor or any other Bank 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 Credit Agreement; (iii) confirms that it is an Eligible Transferee under Section 13.04(b) of the Credit Agreement; (iv) appoints and authorizes the Administrative Agent to take such action as agent on its behalf and to

exercise such powers under the Credit Agreement and the other Credit Documents as are delegated to the Administrative Agent, by the terms thereof, together with such powers as are reasonably incidental thereto; [and] (v) agrees that it will perform in accordance with their terms all of the obligations which by the terms of the Credit Agreement are required to be performed by it as a Bank[; and (vi) attaches the forms described in Section 13.04(b) of the Credit Agreement]1

4. Following the execution of this Assignment and Assumption Agreement by the Assignor and the Assignee, an executed original hereof (together with all attachments) will be delivered to the Administrative Agent. The effective date of this Assignment and Assumption Agreement shall be the date of execution hereof by the Assignor and the Assignee, the receipt of the consent of the Administrative Agent and the Company to the extent required by Section 13.04(b) of the Credit Agreement, the receipt by the Administrative Agent of the administrative fee referred to in such Section 13.04(b) and the recordation of the assignment effected hereby on the Register by the Administrative Agent as provided in Section 13.16 of the Credit Agreement, or such later date, if any, which may be specified in Item 5 of Annex I hereto (the "SETTLEMENT DATE").

5. Upon the delivery of a fully executed original hereof to the Administrative Agent, as of the Settlement Date, (i) the Assignee shall be a party to the Credit Agreement and, to the extent provided in this Assignment and Assumption Agreement, have the rights and obligations of a Bank thereunder and under the other Credit Documents and (ii) the Assignor shall, to the extent provided in this Assignment and Assumption Agreement, relinquish its rights and be released from its obligations under the Credit Agreement and the other Credit Documents.

6. It is agreed that the Assignee shall be entitled to (w) all interest on the Assigned Share of the Loans at the rates specified in Item 6 of Annex I; (x) all Facility Fee on the Assigned Share of the Total Revolving Loan Commitment at the rate specified in Item 7 of Annex I hereto; [and] (y) all Letter of Credit Fees on the Assignee's participation in all Letters of Credit at the rate specified in Item 8 of Annex I hereto, which, in each case, accrue on and after the Settlement Date, such interest and Facility Fee and Letter of Credit Fees, to be paid by the Administrative Agent directly to the Assignee. It is further agreed that all payments of principal made on the Assigned Share of the Loans which occur on and after the Settlement Date will be paid directly by the Administrative Agent to the Assignee. Upon the Settlement Date, the Assignee shall pay to the Assignor an amount specified by the Assignor in writing which represents the Assigned Share of the principal amount of the respective Loans made by the Assignor pursuant to the Credit Agreement which are outstanding on the Settlement Date and which are being assigned hereunder. The Assignor and the Assignee shall make all appropriate adjustments in payments under the Credit Agreement for periods prior to the Settlement Date directly between themselves.

(1) Include if the Assignee is organized under the laws of a jurisdiction outside of the United States.

7. THIS ASSIGNMENT AND ASSUMPTION AGREEMENT SHALL BE GOVERNED BY,
AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

IN WITNESS WHEREOF, the parties hereto have caused their duly authorized officers to execute and deliver this Assignment and Assumption Agreement, as of the date first above written, such execution also being made on Annex I hereto.

Accepted this ____ day of _____, ____

[NAME OF ASSIGNOR]
as Assignor

By _____
Title: _____

[NAME OF ASSIGNEE]
as Assignee

By _____
Title: _____

[Consented to as of _____, ____:

BANK OF AMERICA, N.A., as Administrative Agent

By _____
Title: _____

Consented to as of _____, ____:

SEALED AIR CORPORATION

By _____
Title _____(2)

- - - - -
(2) The consents of the Administrative Agent and the Company are required for assignments except those solely pursuant to Section 13.04(b)(x) of the Credit Agreement.

7. Facility Fee to the Assignee: As set forth in Section 3.01(a) of the Credit Agreement (unless otherwise agreed to by the Assignor and the Assignee)(5)
8. Letter of Credit Fees to the Assignee: As set forth in Section 3.01(b) of the Credit Agreement (unless otherwise agreed to by the Assignor and the Assignee)(6)

[9.] [10.] Notice:

ASSIGNOR:

Attention:
Telephone:
Telecopier:
Reference:

ASSIGNEE:

Attention:
Telephone:
Telecopier:
Reference:

- - - - -

- (5) Sealed Air Corporation and the Administrative Agent shall direct the entire amount of the Facility Fee to the Assignee at the rate set forth in Section 3.01(a) of the Credit Agreement, with the Assignor and the Assignee effecting the agreed upon sharing of Facility Fee through payment by the Assignee to the Assignor.
- (6) Sealed Air Corporation and the Administrative Agent shall direct the entire amount of the Letter of Credit Fees to the Assignee at the rate set forth in Section 3.01(b) of the Credit Agreement, with the Assignor and the Assignee effecting the agreed upon sharing of Letter of Credit Fees through payment by the Assignee to the Assignor.

Payment Instructions:

ASSIGNOR:

Attention:
Reference:

ASSIGNOR:

Attention:
Reference:

Accepted and Agreed:

[NAME OF ASSIGNEE]

[NAME OF ASSIGNOR]

By _____
Title _____

By _____
Title _____

EXHIBIT H

ELECTION TO BECOME A SUBSIDIARY BORROWER

Bank of America, N.A., as Administrative Agent
101 North Tryon Street
Charlotte, NC 28255
Attention: Agency Services

Gentlemen:

The undersigned, [name of Subsidiary Borrower], a _____ corporation, refers to the Global Revolving Credit Agreement (364-Day), dated as of March 23, 2001 (the "CREDIT AGREEMENT"), among Sealed Air Corporation and certain of its subsidiaries, as Borrowers, Sealed Air Corporation and certain Domestic Subsidiaries, as Guarantors, the lenders from time to time party thereto (the "BANKS"), you, as Administrative Agent, and Banc of America Securities LLC, as Lead Arranger and Book Manager. All capitalized terms used herein and not otherwise defined herein shall have the meaning set forth in the Credit Agreement.

The undersigned, desiring to incur Revolving Loans or Local Currency Loans under the Credit Agreement, hereby elects, as required by Section 5.03 of the Credit Agreement, to become a Subsidiary Borrower for purposes of the Credit Agreement, effective from the date hereof. The undersigned confirms that the representations and warranties set forth in Section 6 (other than Section 6.05) of the Credit Agreement are true and correct as to the undersigned and its Subsidiaries as of the date hereof (it being understood and agreed that any representation or warranty which by its terms is made as of a specified date shall be required to be true and correct in all material respects only as of such specified date), and the undersigned hereby agrees to comply with all the obligations of a Borrower under, and to be bound in all respects by the terms of, the Credit Agreement as if the undersigned were an original signatory thereto. The undersigned, simultaneously with its execution hereof, is delivering the appropriate Revolving Note and, if applicable, the Local Currency Note to the Administrative Agent for the account of each of the Banks in accordance with the terms of the Credit Agreement (but only in any case where a Bank has requested that such Notes be delivered to it). All notices and other communications to the undersigned provided for under the Credit Agreement may be sent to it in care of the Company at the address for notices from time to time in effect pursuant to Section 13.03 of the Credit Agreement.

Very truly yours,

[NAME OF SUBSIDIARY BORROWER]

By _____
Title: _____

Address for Notices:

Acknowledged and Agreed:

SEALED AIR CORPORATION

By _____
Title: _____

BANK OF AMERICA, N.A.,
as Administrative Agent

By _____
Title: _____

EXHIBIT I

FORM OF LOCAL CURRENCY ADDENDUM

Dated _____, _____

Reference is made to the Global Revolving Credit Agreement (364-Day) dated as of March 23, 2001 (as amended, supplemented or otherwise modified from time to time, the "CREDIT AGREEMENT") among Sealed Air Corporation and certain of its subsidiaries, as Borrowers, Sealed Air Corporation and certain Domestic Subsidiaries, as Guarantors, the lenders from time to time party thereto (the "BANKS"), Bank of America, N.A., as Administrative Agent, and Banc of America Securities LLC, as Lead Arranger and Book Manager. Terms defined in the Credit Agreement, unless otherwise defined herein, are used herein with the same meaning.

WITNESSETH:

WHEREAS, the Company wishes to have, subject to the terms and conditions contained herein and in the Credit Documents, _____ (the "LENDER") make available a Local Currency Commitment to the [Company] [following Subsidiary Borrower: _____] and the Lender is willing to so make available such a Local Currency Commitment.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and in the Credit Documents and other good and valuable consideration, it is hereby agreed between the parties as follows:

1. The Lender consents to the conversion of a portion of Lender's Revolving Loan Commitment equal to the amount specified in Item 1 of Schedule I hereto. The Commitment being created hereunder shall, upon the effectiveness of this Agreement, be recharacterized as a Local Currency Commitment.
2. The conditions to the effectiveness of this Agreement, the amount of the Local Currency Commitment being made available hereunder, the interest rate (including the Applicable Margin) which will accrue on Local Currency Loans made available pursuant hereto, the maturity of such Loans, the borrowing mechanics relating to such Loans, the country in which such Loans may be borrowed and the currency in which such Loans shall be denominated shall be as set forth in Schedule I hereto. Except to the extent expressly inconsistent with the terms set forth herein or in Schedule I hereto, the Local Currency Commitment and Local Currency Loans being made available hereunder shall be governed by the terms of the Credit Documents.
3. Following the execution of this Agreement by the Lender, the Company and, if the applicable Borrower is not the Company, such applicable Borrower, it will be delivered to the Administrative Agent for recording by the Administrative Agent. The effective date for this Agreement (the "EFFECTIVE DATE") shall be the date specified in Item 14 of Schedule I hereto unless the Lender provides written notice which is received

by the Administrative Agent prior to such date that the conditions set forth in Item 15 of Schedule I hereto have not been met.

4. Upon such recording by the Administrative Agent, as of the Effective Date, the Lender shall have a Local Currency Commitment as provided in Section 1.01(d)(i) of the Credit Agreement and the rights and obligations of a Bank related thereto (except as otherwise expressly specified in this Agreement or the Credit Agreement). Accordingly as set forth in Section 1.01(d)(i) of the Credit Agreement, the Lender's Revolving Loan Commitment shall be automatically reduced by the amount of the Local Currency Commitment being made available hereunder and such Revolving Loan Commitment shall be automatically reinstated to the extent provided in Section 1.01(d)(i) of the Credit Agreement when such Local Currency Commitment expires or is terminated, unless at the time of such expiration or termination the Revolving Loan Commitments of all Banks shall have terminated.

5. Lender hereby agrees with the Administrative Agent that to the extent the Administrative Agent benefits from any indemnities or other obligations of the Banks in its favor, Lender's obligation shall be calculated as if the Local Currency Commitment and Local Currency Loans being provided by it hereunder were a Revolving Loan Commitment and Revolving Loans, respectively.

6. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York.

7. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Agreement by facsimile shall be effective as delivery of a manually executed counterpart of this Agreement.

8. The Company hereby confirms and agrees that the Local Currency Commitment and Local Currency Loans being provided pursuant to the terms hereof shall be treated as Commitments and Eurocurrency Loans, respectively, entitled to the benefits of Section 1.11, Section 1.12 and Section 4.04 except that all determinations and calculations made by the Administrative Agent under such Sections shall be made by the Lender and references to the Eurocurrency Rate in such Sections shall be deemed to be references to the rate specified in Item 8 of Schedule I.

9. The Company hereby confirms and agrees that its guaranty contained in the Credit Agreement remains in full force and effect and that any and all Local Currency Loans provided by the Lender pursuant hereto are entitled to the benefit of such guaranty.*

- - - - -
* Omit if the Company is the Borrower entitled to borrow under the Local Currency Commitment being provided hereunder.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their officers thereunto duly authorized as of the date first above written.

[NAME OF LENDER]

By _____
Name: _____
Title: _____

[NAME OF BORROWER RECEIVING LOCAL
CURRENCY COMMITMENT]

By _____
Name: _____
Title: _____

SEALED AIR CORPORATION

By _____
Name: _____
Title: _____

Received for recordation this
____ day of _____, ____

BANK OF AMERICA, N.A., as Administrative Agent

By _____
Name: _____
Title: _____

SCHEDULE I

1. Amount of Local Currency Commitment: \$_____ (must be designated in U.S. Dollars).

2. Termination of Local Currency Commitment (check one):

// Same termination provisions as are applicable to the Revolving Loan Commitments in the Credit Agreement.

// The Local Currency Commitment being provided pursuant to the terms hereof shall terminate on _____, unless earlier terminated as a result of an Event of Default.

3. Country in which Local Currency Loans will be made available:

_____.

4. Specify where and when proceeds of each Local Currency Loan will be made available: _____.

5. Currency in which Local Currency Loans will be denominated:

_____.

6. Amount of Lender's Revolving Loan Commitment after giving effect hereto: \$_____ (must be designated in U.S. Dollars).

7. Applicable interest rate index (check one):

// Eurocurrency Rate calculated as if the Local Currency Loan were a Eurocurrency Loan in a Eurocurrency except that rate will be determined based upon rates offered by the Lender in the currency of the applicable Eurocurrency Loan instead of Bank of America.

// Other (please specify, including whether interest is computed based upon a 360 day or 365/366 day year).

_____.

8. Applicable Margin for Local Currency Loans (check one)*:

// Same as the Applicable Margin from time to time in effect for Eurocurrency Loans in the Credit Agreement.

// Other (please specify). _____.

- - - - -
* The Lender and the Borrower should include the effect of reserves or similar costs which are applicable to the Local Currency Loans.

9. Default interest rate applicable to Local Currency Loans (check one):

// Same as the default rate applicable to Loans denominated in a Eurocurrency in the Credit Agreement except that the Lender shall make all such determinations and calculations.

// Other (please specify). _____.

10. Interest Periods applicable to Local Currency Loans (check one):

// Same as applicable to Loans denominated in a Eurocurrency in the Credit Agreement.

// Other (please specify). _____.

11. Interest accrued on Local Currency Loans shall be payable (check one):

// Same as applicable to Loans denominated in a Eurocurrency in the Credit Agreement.

// Other (please specify). _____.

12. Maturity of Local Currency Loans, which maturity may not be later than the Final Maturity Date (check one):

// Same as applicable to Loans denominated in a Eurocurrency in the Credit Agreement.

// Other (please specify). _____.

13. Borrowing notices and mechanics (check one):

// Same as set forth in Section 1.03 of the Credit Agreement relating to Eurocurrency Loans denominated in a Eurocurrency except (i) such notice shall be delivered to the Lender, (ii) references in such Section to the Administrative Agent shall be deemed references to the Lender and (iii) references to time in such Section shall be deemed references to local time.

// Other (please specify). _____.

14. Effective Date:** _____, _____

- - - - -
** This date should be no earlier than five Business Days after the delivery of this Agreement to the Administrative Agent.

15. Conditions to effectiveness:

(i) Election to Become a Subsidiary Borrower, if applicable.

(ii) Local Currency Note.

// Yes.

// Not required.

(iii) To the extent that any documents, writings, records instruments or consents would have been required by Section 5.01(c) of the Credit Agreement if such Borrower had been subject thereto on the Effective Date and such items have not heretofore been delivered, such items shall be delivered to, and shall be satisfactory to, the Administrative Agent.

(iv) No Default shall have occurred and be continuing.

(iv) Legal opinion, if requested, in form and substance as reasonably requested by the party requesting opinion.

[(v) Lender to specify such other documents as it may require.]

EXHIBIT J
FORM OF LOCAL CURRENCY DESIGNATION AND ASSIGNMENT AGREEMENT

Dated _____, _____

Reference is made to the Global Revolving Credit Agreement (364-Day) dated as of March 23, 2001 (as amended, supplemented or otherwise modified from time to time, the "CREDIT AGREEMENT") among Sealed Air Corporation and certain of its subsidiaries, as Borrowers, Sealed Air Corporation and certain Domestic Subsidiaries, as Guarantors, the lenders from time to time party thereto (the "BANKS"), Bank of America, N.A., as Administrative Agent, and Banc of America Securities LLC, as Lead Arranger and Book Manager. Terms defined in the Credit Agreement, unless otherwise defined herein, are used herein with the same meaning.

WITNESSETH:

WHEREAS, the Company wishes to have, subject to the terms and conditions contained herein and in the Credit Documents, _____ (the "DESIGNOR") make available a Local Currency Commitment through its Affiliate _____ (the "LOCAL AFFILIATE") to the [Company] [following Subsidiary Borrower: _____] and the Designor and the Local Affiliate are willing to so make available such a Local Currency Commitment.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and in the Credit Documents and other good and valuable consideration, it is hereby agreed between the parties as follows:

1. The Designor hereby assigns to the Local Affiliate, and the Local Affiliate hereby accepts such assignment of, a portion of Designor's Revolving Loan Commitment equal to the amount specified in Item 1 of Schedule I hereto. The Revolving Loan Commitment being assigned hereunder shall, upon the effectiveness of this Agreement, be recharacterized as a Local Currency Commitment.

2. The conditions to the effectiveness of this Agreement, the amount of the Local Currency Commitment being made available hereunder, the interest rate (including the Applicable Margin) which will accrue on Local Currency Loans made available pursuant hereto, the maturity of such Loans, the borrowing mechanics relating to such Loans, the country in which such Loans may be borrowed and the currency in which such Loans shall be denominated shall be as set forth in Schedule I hereto. Except to the extent expressly inconsistent with the terms set forth herein or in Schedule I hereto, the Local Currency Commitment and Local Currency Loans being made available hereunder shall be governed by the terms of the Credit Documents.

3. The Designor and the Administrative Agent make no representations or warranties and assume no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement or the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Credit

Agreement or any other instrument or document furnished pursuant thereto and (ii) the financial condition of the Borrowers or the performance or observance by the Borrowers of any of their obligations under the Credit Agreement or any other instrument or document furnished pursuant thereto.

4. The Local Affiliate (i) confirms that it has received a copy of the Credit Documents and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Agreement; (ii) agrees that it will, independently and without reliance upon the Administrative Agent, the Designor or any other Bank 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 Credit Agreement; (iii) confirms and agrees that pursuant to Section 1.01(d)(iv) of the Credit Agreement, with regard to any matters relating to calculating the Banks' Percentages or the Required Banks or the unanimous vote of the Banks, any Local Currency Commitment provided by the Local Affiliate and any Local Currency Loans provided by the Local Affiliate shall be deemed to be Local Currency Commitments and Local Currency Loans, as applicable, of Designor and therefore the Local Affiliate is not entitled to vote on any matters as a Bank under the Credit Documents; (iv) appoints and authorizes the Administrative Agent to take such action as agent on its behalf and to exercise such powers and discretion under the Credit Agreement as are delegated to the Administrative Agent by the terms thereof, together with such powers and discretion as are reasonably incidental thereto; and (v) agrees that it will promptly provide the Administrative Agent with a copy of any borrowing notice it receives.

5. Following the execution of this Agreement by the Designor and the Local Affiliate, the Company and, if the applicable Borrower is not the Company, such applicable Borrower, it will be delivered to the Administrative Agent for recording by the Administrative Agent. The effective date for this Agreement (the "EFFECTIVE DATE") shall be the date specified in Item 14 of Schedule I hereto unless the Designor provides written notice which is received by the Administrative Agent prior to such date that the conditions set forth in Item 15 of Schedule I hereto have not been met.

6. Upon such recording by the Administrative Agent, as of the Effective Date, the Local Affiliate shall be a party to the Credit Agreement as a Bank with an obligation to make Local Currency Loans as a Bank pursuant to Section 1.01(d)(i) of the Credit Agreement and the rights and obligations of a Bank related thereto (except as otherwise expressly specified in this Agreement or the Credit Agreement). Accordingly as set forth in Section 1.01(d)(i) of the Credit Agreement, the Designor's Revolving Credit Commitment shall be automatically reduced by the amount of the Local Currency Commitment being made available hereunder and such Revolving Credit Commitment shall be automatically reinstated to the extent provided in Section 1.01(d)(i) of the Credit Agreement when such Local Currency Commitment expires or is terminated, unless at the time of such expiration or termination the Revolving Loan Commitments of all Banks shall have terminated.

7. Designor hereby agrees with the Administrative Agent that to the extent the Administrative Agent benefits from any indemnities or other obligations of the Banks in its favor, Designor's obligation shall be calculated as if the Local Currency Commitment and Local Currency Loans being provided by the Local Affiliate hereunder were being provided directly by Designor.

8. The Local Affiliate hereby appoints Designor as its agent in administering the credit with full power and authority to act on behalf of the Local Affiliate with respect to the transactions relating hereto. Accordingly, the Local Affiliate confirms and agrees that the Administrative Agent, the other Banks and each Borrower may conclusively rely on any actions which Designor takes as also being taken on behalf of the Local Affiliate and any notices given to (other than borrowing notices given pursuant to Schedule I hereto), or received by, Designor shall be deemed to have been given to, or received by, the Local Affiliate.

9. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York.

10. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Agreement by facsimile shall be effective as delivery of a manually executed counterpart of this Agreement.

11. The Company hereby confirms and agrees that the Local Currency Commitment and Local Currency Loans being provided pursuant to the terms hereof shall be treated as Commitments and Eurocurrency Loans, respectively, entitled to the benefits of Section 1.11, Section 1.12 and Section 4.04 except that all determinations and calculations made by the Administrative Agent under such Sections shall be made by the Local Affiliate and references to the Eurocurrency Rate in such Sections shall be deemed to be references to the rate specifies in Item 7 of Schedule I.

12. The Company hereby confirms and agrees that its guaranty contained in the Credit Agreement remains in full force and effect and that any and all Local Currency Loans provided by the Local Affiliate pursuant hereto are entitled to the benefit of such guaranty.*

- - - - -
* Omit if the Company is the Borrower entitled to borrow under the Local Currency Commitment being provided hereunder.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their officers thereunto duly authorized as of the date first above written.

[NAME OF DESIGNOR]

By _____
Name: _____
Title: _____

[NAME OF LOCAL AFFILIATE]

By _____
Name: _____
Title: _____

[NAME OF BORROWER RECEIVING LOCAL
CURRENCY COMMITMENT]

By _____
Name: _____
Title: _____

SEALED AIR CORPORATION

By _____
Name: _____
Title: _____

Received for recordation this
____ day of _____, ____

BANK OF AMERICA, N.A., as Administrative Agent

By _____
Name: _____
Title: _____

SCHEDULE I

1. Amount of Local Currency Commitment: \$_____ (must be designated in Dollars).

2. Termination of Local Currency Commitment (check one):

// Same termination provisions as are applicable to the Revolving Loan Commitments in the Credit Agreement.

// The Local Currency Commitment being provided pursuant to the terms hereof shall terminate on _____, unless earlier terminated as a result of an Event of Default.

3. Country in which Local Currency Loans will be made available:

_____.

4. Specify where and when proceeds of each Local Currency Loan will be made available:_____.

5. Currency in which Local Currency Loans will be denominated:

_____.

6. Amount of Designor's Revolving Loan Commitment after giving effect hereto: \$_____ (must be designated in Dollars).

7. Applicable interest rate index (check one):

// Eurocurrency Rate calculated as if the Local Currency Loan were a Eurocurrency Loan in a Eurocurrency except that rate will be determined based upon rates offered by the Local Affiliate in the currency of the applicable Eurocurrency Loan instead of Bank of America.

// Other (please specify, including whether interest is computed based upon a 360 day or 365/366 day year)._____.

8. Applicable Margin for Local Currency Loans (check one)* :

// Same as the Applicable Margin from time to time in effect for Eurocurrency Loans in the Credit Agreement.

// Other (please specify). _____.

- - - - -
* The Local Affiliate and the Borrower should include the effect of reserves or similar costs which are applicable to the Local Currency Loans.

9. Default interest rate applicable to Local Currency Loans (check one):

// Same as the default rate applicable to Loans denominated in a Eurocurrency in the Credit Agreement except that the Local Affiliate shall make all such determinations and calculations.

// Other (please specify). _____.

10. Interest Periods applicable to Local Currency Loans (check one):

// Same as applicable to Loans denominated in a Eurocurrency in the Credit Agreement.

// Other (please specify). _____.

11. Interest accrued on Local Currency Loans shall be payable (check one):

// Same as applicable to Loans denominated in a Eurocurrency in the Credit Agreement.

// Other (please specify). _____.

12. Maturity of Local Currency Loans, which maturity may not be later than the Final Maturity Date (check one):

// Same as applicable to Loans denominated in a Eurocurrency in the Credit Agreement.

// Other (please specify). _____.

13. Borrowing notices and mechanics (check one):

// Same as set forth in Section 1.03 of the Credit Agreement relating to Eurocurrency Loans denominated in a Eurocurrency except (i) such notice shall be delivered to the Local Affiliate, (ii) references in such Section to the Administrative Agent shall be deemed references to the Local Affiliate and (iii) references to time in such Section shall be deemed references to local time.

// Other (please specify). _____.

14. Effective Date:** _____, _____

- - - - -
** This date should be no earlier than five Business Days after the delivery of this Agreement to the Administrative Agent.

15. Conditions to effectiveness:

(i) Election to Become a Subsidiary Borrower, if applicable.

(ii) Local Currency Note.

// Yes.

// Not required.

(iii) To the extent that any documents, writings, records instruments or consents would have been required by Section 5.01(c) of the Credit Agreement if such Borrower had been subject thereto on the Effective Date and such items have not heretofore been delivered, such items shall be delivered to, and shall be satisfactory to, the Administrative Agent.

(iv) No Default shall have occurred and be continuing.

(iv) Legal opinion, if requested, in form and substance as reasonably requested by the party requesting opinion.

[(v) Local Affiliate to specify such other documents as it may require.]

EXHIBIT K

SUBSIDIARY GUARANTEE AGREEMENT

Bank of America, N.A., as
Administrative Agent for the Banks
party to the Global Revolving Credit
Agreement (364-Day) dated as of
March 23, 2001 among Sealed Air
Corporation and certain of its
subsidiaries, as Borrowers, Sealed
Air Corporation and certain
Domestic Subsidiaries, as
Guarantors, the lenders from time to
time party thereto (the "BANKS"),
Bank of America, N.A., as
Administrative Agent, and Banc of
America Securities LLC, as Lead
Arranger and Book Manager (the
"CREDIT AGREEMENT")

Ladies and Gentlemen:

Reference is made to the Credit Agreement described above. Terms not defined herein which are defined in the Credit Agreement shall have for the purposes hereof the meaning provided therein.

The undersigned, [NAME OF SUBSIDIARY GUARANTOR], a [JURISDICTION OF INCORPORATION] corporation, hereby acknowledges that it is a "GUARANTOR" for all purposes of the Credit Agreement, effective from the date hereof. The undersigned confirms that the representations and warranties set forth in Section 6 (other than Section 6.05) of the Credit Agreement are true and correct as to the undersigned as of the date hereof (it being understood and agreed that any representation or warranty which by its terms is made as of a specified date shall be required to be true and correct in all material respects only as of such specified date).

Without limiting the generality of the foregoing, the undersigned hereby agrees to perform all the obligations of a Guarantor under, and to be bound in all respects by the terms of, the Credit Agreement, including without limitation Section 12 thereof, to the same extent and with the same force and effect as if the undersigned were a direct signatory thereto.

This Agreement shall be construed in accordance with and governed by the internal laws of the State of New York.

Very truly yours,

[NAME OF SUBSIDIARY GUARANTOR]

By _____
Name _____
Title _____

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EXHIBIT L

FORM OF ELECTION TO TERMINATE

_____ / _____

Bank of America, N.A., as
Administrative Agent, for the Banks
party to the Global Revolving Credit
Agreement (364-Day) dated as of
March 23, 2001 among Sealed Air
Corporation and certain of its
subsidiaries, as Borrowers, Sealed
Air Corporation and certain
Domestic Subsidiaries, as
Guarantors, the lenders from time to
time party thereto (the "BANKS"),
Bank of America, N.A., as
Administrative Agent, and Banc of
America Securities LLC, as Lead
Arranger and Book Manager (the
"CREDIT AGREEMENT")

Dear Sirs:

Reference is made to the Credit Agreement described above. Terms not defined herein which are defined in the Credit Agreement shall have for the purposes hereof the meaning provided therein.

The undersigned, [NAME OF SUBSIDIARY BORROWER], a [JURISDICTION OF INCORPORATION] corporation, hereby elects to terminate its status as a Subsidiary Borrower for purposes of the Credit Agreement, effective as of the date hereof. The undersigned hereby represents and warrants that all principal and interest on all Notes of the undersigned and all other amounts payable by the undersigned pursuant to the Credit Agreement have been paid in full on or prior to the date hereof. Notwithstanding the foregoing, this Election to Terminate shall not affect any obligation of the undersigned under the Credit Agreement or under any Note heretofore incurred.

This instrument shall be construed in accordance with and governed by the internal laws of the State of New York.

Very truly yours,

[NAME OF BORROWING SUBSIDIARY]

By _____
Name _____
Title _____

The undersigned hereby confirms that the status of [NAME OF SUBSIDIARY BORROWER] as a Subsidiary Borrower for purposes of the Credit Agreement described above is terminated as of the date hereof.

SEALED AIR CORPORATION

By _____
Name _____
Title _____

Receipt of the above Election to Terminate is hereby acknowledged on and as of _____.

BANK OF AMERICA, N.A.,
as Administrative Agent

By _____
Name _____
Title _____

EXHIBIT M

CALCULATION OF MLA COST FOR
EUROCURRENCY LOANS

The MLA Cost is an addition to the interest rate on a Loan to compensate a Bank for the cost attributable to such Loan resulting from the imposition from time to time under the Bank of England Act 1998 (the "ACT") and/or by the Bank of England and/or the Financial Services Authority (the "FSA") (or other United Kingdom governmental authorities or agencies) of a requirement to place non-interest-bearing deposits or Special Deposits (whether interest-bearing or not) with the Bank of England and/or pay fees to the FSA calculated by reference to liabilities used to fund such a Loan.

The MLA Cost will be the percentage rate per annum determined by such affected Bank (rounded upward, if necessary, to four decimal places) as the rate resulting from the application (as appropriate) of the following formulae:

(a) in relation to Loans or other unpaid amounts denominated in Pounds Sterling:

$$\frac{XL + S(L - D) + F \times 0.01}{100 - (X + S)}$$

(b) in relation to Loans or other unpaid amounts denominated in any currency other than Pounds Sterling:

$$\frac{F \times 0.01}{300}$$

where, in each case, on the day of application of the formula:

X is the percentage of Eligible Liabilities (in excess of any stated minimum) by reference to which such Mandatory Cost Reference Lender is required under or pursuant to the Act to maintain cash ratio deposits with the Bank of England;

L is the Eurocurrency Rate applicable to such Loan;

F is the rate of charge payable by such Bank to the FSA pursuant to paragraphs 2.02 or 2.03 (as the case may be) of the Fees Regulations (but for this purpose the figure at paragraph 2.02b or 2.03b (as the case may be) shall be deemed to be zero) and expressed in pounds per (pound)1 million of the Fee Base of such Bank;

S is the level of interest-bearing Special Deposits, expressed as a percentage of Eligible Liabilities, which such Bank is required to maintain by the Bank of England (or other United Kingdom governmental authorities or agencies); and

D is the percentage rate per annum payable by the Bank of England to such Bank on Special Deposits.

(X, L, S and D are to be expressed in the formula as numbers and not as percentages. A negative result obtained from subtracting D from L shall be counted as zero.)

The MLA Cost for any Interest Period shall be calculated at or about 11:00 a.m. (London time) on the first day of such Interest Period for the duration of such Interest Period.

The determination of the MLA Cost in relation to any Interest Period shall, in the absence of manifest error, be conclusive and binding on all parties hereto.

If there is any change in circumstance (including the imposition of alternative or additional requirements, including capital adequacy requirements) which in the reasonable opinion of the Administrative Agent renders or will render the above formula (or any element thereof, or any defined term used therein) inappropriate or inapplicable, the Administrative Agent shall promptly notify the Borrowers and the Banks thereof and (following consultation with the Required Banks) shall be entitled to vary the same. Any such variation shall, in the absence of manifest error, be conclusive and binding on all parties and shall apply from the date specified in a notice from the Administrative Agent to the Borrowers and the Banks.

For the purposes of this Schedule:

The terms "ELIGIBLE LIABILITIES" and "SPECIAL DEPOSITS" shall bear the meanings ascribed to them under or pursuant to the Act or by the Bank of England (as may be appropriate), on the day of the application of the formula.

"FEE BASE" has the meaning ascribed to it for the purposes of, and shall be calculated in accordance with, the Fees Regulations.

"FEES REGULATIONS" means, as appropriate, either:

- (a) the Banking Supervision (Fees) Regulations 1999; or
- (b) such other law or regulations as from time to time may be in force, relating to the payment of fees for banking supervision.

EXHIBIT N

COMMITMENT AMOUNT INCREASE REQUEST

_____, 2001

Bank of America, N.A.,
as Administrative Agent
(the "ADMINISTRATIVE AGENT")
for the Banks referred to below
101 North Tryon Street
Charlotte, NC 28255

Attention: Agency Services

Re: Credit Agreement (364-Day), dated as of March 23, 2001
(as amended, modified or supplemented from time to time, the "CREDIT
AGREEMENT"), among Sealed Air Corporation and certain of its subsidiaries,
as Borrowers, Sealed Air Corporation and certain Domestic Subsidiaries,
as Guarantors, the lenders from time to time party thereto (the "BANKS"),
you, as Administrative Agent for such Banks, and Banc of America
Securities LLC,
as Lead Arranger and Book Manager

Ladies and Gentlemen:

In accordance with the Credit Agreement, the Company on behalf of the
Borrowers and Guarantors hereby requests that the Administrative Agent consent
to an increase in the aggregate Revolving Credit Commitments (the "COMMITMENT
AMOUNT INCREASE"), in accordance with Section 1.17 of the Credit Agreement, to
be effected by [AN INCREASE IN THE REVOLVING CREDIT COMMITMENT OF [NAME OF
EXISTING BANK] THE ADDITION OF [NAME OF NEW BANK] (THE "NEW BANK") AS A BANK
UNDER THE TERMS OF THE CREDIT AGREEMENT]. Capitalized terms used herein without
definition shall have the same meanings herein as such terms have in the Credit
Agreement.

After giving effect to such Commitment Amount Increase, and upon the
effectiveness of the Commitment Amount Increase, each Bank's Revolving Credit
Commitment set forth on Schedule 1 to the Credit Agreement will be amended and
restated to read as set forth on Attachment I hereto.

[INCLUDE PARAGRAPHS 1-4 FOR A NEW BANK]

1. The New Bank hereby confirms that it has received a copy of the Credit
Documents and the exhibits and schedules related thereto, together with copies
of the documents

which were required to be delivered under the Credit Agreement as a condition to the making of the Loans and other extensions of credit thereunder. The New Bank acknowledges and agrees that it has made and will continue to make, independently and without reliance upon the Administrative Agent or any other Bank and based on such documents and information as it has deemed appropriate, its own credit analysis and decisions relating to the Credit Agreement. The New Bank further acknowledges and agrees that the Administrative Agent has not made any representations or warranties about the credit worthiness of any Borrower or Guarantor or any other party to the Credit Agreement or any other Credit Document or with respect to the legality, validity, sufficiency or enforceability of the Credit Agreement or any other Credit Document or the value of any security therefor.

2. Except as otherwise provided in the Credit Agreement, effective as of the date of acceptance hereof by the Administrative Agent, the New Bank (i) shall be deemed automatically to have become a party to the Credit Agreement and have all the rights and obligations of a "BANK" under the Credit Agreement as if it were an original signatory thereto and (ii) agrees to be bound by the terms and conditions set forth in the Credit Agreement as if it were an original signatory thereto.

3. The New Bank hereby advises you of the following administrative details with respect to its Loans and Revolving Loan Commitment:

(A) Notices:

Institution Name: _____
Address: _____
Telephone: _____
Facsimile: _____

(B) Payment Instructions:

(C) Effective date of Commitment Amount Increase, which shall not be earlier than 5 Business Days after the date hereof:

[4. THE NEW BANK HAS DELIVERED, IF APPROPRIATE, TO THE COMPANY AND THE ADMINISTRATIVE AGENT (OR IS DELIVERING TO THE BORROWER AND THE ADMINISTRATIVE AGENT CONCURRENTLY HEREWITH) THE TAX FORMS REFERRED TO IN SECTION 4.04 OF THE CREDIT AGREEMENT.]*

THIS AGREEMENT SHALL BE DEEMED TO BE A CONTRACTUAL OBLIGATION UNDER, AND SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

The Commitment Amount Increase shall be effective when the executed consent of the Administrative Agent is received or otherwise in accordance with Section 1.17, of the Credit

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* Insert bracketed paragraph if New Bank is organized under the law of a jurisdiction other than the United States of America or a state thereof.

Agreement, but not in any case prior to _____, _____. It shall be a condition to the effectiveness of the Commitment Amount Increase that (i) all fees and expenses referred to in Section 1.17 of the Credit Agreement shall have been paid and (ii) no Eurocurrency Loans shall be outstanding on the date of such effectiveness.

The Company hereby certifies that no Default has occurred and is continuing.

Please indicate the Administrative Agent's consent to such Commitment Amount Increase by signing the enclosed copy of this letter in the space provided below.

Very truly yours,

SEALED AIR CORPORATION

By _____
Name: _____
Title: _____

[NEW BANK/BANK INCREASING COMMITMENTS]

By: _____
Name: _____
Title: _____

The undersigned hereby consents on this ___ day of _____, 2001 to the above-requested Commitment Amount Increase.

BANK OF AMERICA, N.A.,
as Administrative Agent

By: _____
Name: _____
Title: _____