

SECURITIES AND EXCHANGE COMMISSION

Washington, D. C. 20549

FORM 8-K/A

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported):  
August 14, 1997

W. R. GRACE & CO.  
(Exact name of registrant as specified in its charter)

Delaware  
(State or other  
jurisdiction of  
incorporation)

1-12139  
(Commission File  
Number)

65-0654331  
(IRS Employer  
Identification No.)

One Town Center Road, Boca Raton, Florida 33486-1010  
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: 561/362-2000

Item 5. Other Events.

Attached as an exhibit hereto and incorporated by reference herein is Exhibit E to the Merger Agreement, a term sheet describing the principal terms of a new series of convertible preferred stock, par value \$.10 per share, of New Sealed Air to be issued in the Merger (the "Term Sheet").

Item 7. Financial Statements, Pro Forma Financial Information and Exhibits.

Exhibits. The following exhibits are filed with this Report:

Exhibit No.	Description
4.1	Term Sheet (Exhibit E to the Merger Agreement)



SIGNATURES

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

W. R. GRACE & CO.  
(Registrant)

By /s/ Robert B. Lamm  
Robert B. Lamm  
Vice President and Secretary

Dated: August 21, 1997

W. R. GRACE & CO.  
Current Report on Form 8-K

Exhibit Index

Exhibit No.	Description
4.1	Term Sheet (Exhibit E to the Merger Agreement)

## EXHIBIT E

TERMS OF NEWCO SENIOR  
CONVERTIBLE PREFERRED STOCK

Liquidation Preference \$1.8 billion aggregate

Face Amount: \$50 per share, plus accrued but unpaid dividends.

Conversion Rate: Convertible (at any time) into Newco Common Shares at a conversion price of \$56.525 per share or .8845644 of a Newco Common Share per Newco Convertible Preferred Share (subject to Antidilution Provisions).

Dividend Rate: 4% annual dividend.

Dividends to be payable quarterly in arrears and to be cumulative.

Optional Redemption: The Newco Convertible Preferred Shares may not be redeemed until on or after the third anniversary of the Effective Time. Thereafter, until the fifth anniversary of the Effective Time, Newco may redeem for cash the Convertible Preferred Shares, in whole or in part at its option, at the applicable Redemption Price plus accrued but unpaid dividends through the payment date set forth below, but only if the closing market price of Newco Common Shares equals or exceeds the applicable Target Common Stock Price set forth below for at least 20 trading days during any consecutive 30-day trading period ending on the trading day prior to the date of mailing of the notice of redemption. After the tenth anniversary of the Effective Time, Newco may redeem the Newco Convertible Preferred Shares, in whole or in part (subject to standard procedures) at any time at its option, at par plus accrued but unpaid dividends through the payment date.

REDEMPTION BETWEEN ANNIVERSARIES	TARGET COMMON STOCK PRICE	REDEMPTION PRICE (% OF LIQUIDATION PREFERENCE)
3 and 4	\$70.6563	102.8 (plus accrued dividends)
4 and 5	70.6563	102.4
5 and 6	N/A	102.0
6 and 7	N/A	101.6
7 and 8	N/A	101.2
8 and 9	N/A	100.8
9 and 10	N/A	100.4
Thereafter	N/A	100.0

Mandatory Redemption: 20th anniversary of the Effective Time.

Voting Rights: General voting rights with Newco Common Shares voting as a single class and on an as-converted basis. Special class voting rights of preferred stock to the extent required by NYSE rules.

Antidilution Provisions: Customary.

Ranking: Senior to junior preferred stock and common stock or pari-passu with all other preferred stock issued by Newco. No preferred stock shall be issued senior to the Newco Convertible Preferred Stock without the consent of the holders.

Listing: NYSE

Other Terms: Customary for a senior convertible voting preferred stock.