AS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION ON FEBRUARY 25, 1994

REGISTRATION NO. 33-51663

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

AMENDMENT NO. 1 TO FORM S-3
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

AMETEK, INC.
(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

DELAWARE	13-4923320
(STATE OR OTHER JURISDICTION OF INCORPORATION OR ORGANIZATION)	(I.R.S. EMPLOYER IDENTIFICATION NUMBER)

STATION SQUARE
PAOLI, PENNSYLVANIA 19301
(215) 647-2121
(ADDRESS, INCLUDING ZIP CODE, AND TELEPHONE NUMBER, INCLUDING AREA CODE, OF REGISTRANT'S PRINCIPAL EXECUTIVE OFFICES)

ALLAN KORNFELD
EXECUTIVE VICE PRESIDENT--CHIEF FINANCIAL OFFICER
AMETEK, INC.
STATION SQUARE
PAOLI, PENNSYLVANIA 19301
(215) 647-2121
(NAME, ADDRESS, INCLUDING ZIP CODE, AND TELEPHONE NUMBER, INCLUDING AREA CODE, OF AGENT FOR SERVICE)

COPIES TO:

David L. Finkelman, Esq.	Alan J. Sinsheimer, Esq.
STROOCK & STROOCK & LAVAN	SULLIVAN & CROMWELL
Seven Hanover Square	125 Broad Street
New York, New York 10004-2696	New York, New York 10004-2498
(212) 806-5400	(212) 558-4000

APPROXIMATE DATE OF COMMENCEMENT OF PROPOSED SALE TO PUBLIC: As soon as practicable after this Registration Statement becomes effective.

If the only securities being registered on this form are being offered pursuant to dividend or interest reinvestment plans, please check the following box. [_]

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box. [_]

THE REGISTRANT HEREBY AMENDS THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL THE REGISTRANT

SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(A) OF THE SECURITIES ACT OF 1933 OR UNTIL THE REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE COMMISSION, ACTING PURSUANT TO SAID SECTION 8(A), MAY DETERMINE.

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+INFORMATION CONTAINED HEREIN IS SUBJECT TO COMPLETION OR AMENDMENT. A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION. THESE SECURITIES MAY NOT BE SOLD NOR MAY OFFERS TO BUY BE ACCEPTED PRIOR TO THE TIME THE REGISTRATION STATEMENT BECOMES EFFECTIVE. THIS PROSPECTUS SHALL NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY NOR SHALL THERE BE ANY SALE OF THESE SECURITIES IN ANY STATE IN WHICH SUCH OFFER, SOLICITATION OR SALE WOULD BE UNLAWFUL PRIOR TO REGISTRATION OR QUALIFICATION UNDER THE SECURITIES LAWS OF ANY SUCH STATE.

SUBJECT TO COMPLETION, DATED FEBRUARY 25, 1994

$150,000,000

LOGO OF AMETEK, Inc.

% SENIOR NOTES DUE 2006

Interest on the Notes is payable on and of each year, commencing , 1994. The Notes are redeemable at the option of the Company, in whole or in part, at any time on or after , 1999, at the redemption prices set forth herein, plus accrued interest to the date of redemption. The Company is required to offer to purchase all outstanding Notes at 101% of their principal amount, plus accrued interest to the date of purchase, in the event of a Change of Control. The Notes will be issued only in registered form in denominations of $1,000 and integral multiples thereof. See "Description of the Notes."

The Notes have been approved for listing on the New York Stock Exchange, subject to notice of issuance.

The proceeds of this offering, together with borrowings under the Company's new secured credit agreement and available cash, will be used (a) to retire existing debt of the Company, (b) to repurchase outstanding shares of the Company's Common Stock for an aggregate purchase price of up to $150 million and (c) to pay fees and expenses related to the sale of the Notes offered hereby and the Company's new secured credit agreement. See "Use of Proceeds."

SEE "RISK FACTORS" FOR A DISCUSSION OF CERTAIN CONSIDERATIONS RELEVANT TO AN INVESTMENT IN THE NOTES.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

	INITIAL PUBLIC OFFERING PRICE(1)	UNDERWRITING DISCOUNT (2)	PROCEEDS TO COMPANY(1)(3)
Per Note	%	%	%
Total	$	$	$

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(1) Plus accrued interest, if any, from , 1994.

(2) The Company has agreed to indemnify Goldman, Sachs & Co. against certain liabilities, including liabilities under the Securities Act of 1933, as amended. See "Underwriting."

(3) Before deducting estimated expenses of $ payable by the Company.

The Notes are offered by Goldman, Sachs & Co., as specified herein, subject to receipt and acceptance by them and subject to their right to reject any order in whole or in part. It is expected that the Notes will be ready for delivery in New York, New York on or about , 1994.

GOLDMAN, SACHS & CO.

The date of this Prospectus is , 1994.

AVAILABLE INFORMATION

AMETEK, Inc. (the "Company" or "Ametek") is subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and in accordance therewith files reports, proxy statements and other information with the Securities and Exchange Commission (the "Commission"). Reports, proxy statements and other information filed by the Company with the Commission can be inspected and copied at the public reference facilities maintained by the Commission at Room 1024, 450 Fifth Street, N.W., Washington, D.C. 20549 and at the Commission's regional offices located at Seven World Trade Center, New York, New York 10048, and Suite 1400, Northwestern Atrium Center, 500 West Madison Street, Chicago, Illinois 60661. Copies of such materials can be obtained from the Public Reference Section of the Commission at Room 1024, 450 Fifth Street, N.W., Washington, D.C. 20549, at prescribed rates. Such materials can also be inspected at the New York Stock Exchange, 20 Broad Street, New York, New York 10005 or The Pacific Stock Exchange, 301 Pine Street, San Francisco, California 94104-7065.

The Company has filed with the Commission a Registration Statement on Form S-3 under the Securities Act of 1933, as amended (the "Securities Act"), with respect to the securities offered hereby. This Prospectus does not contain all of the information set forth in the Registration Statement, certain parts of which have been omitted in accordance with the rules and regulations of the Commission. For further information with respect to the Company and the securities offered hereby, reference is made to the Registration Statement, including the exhibits filed as part thereof and otherwise incorporated therein. Statements made in this Prospectus as to the contents of any contract, agreement or other document referred to are not necessarily complete; with respect to each such contract, agreement or other document filed as an exhibit to the Registration Statement, reference is made to such exhibit for a more complete description of the matter involved, and each such statement shall be deemed qualified in its entirety by such reference. Copies of the Registration Statement and the exhibits may be inspected, without charge, at the offices of the Commission, or obtained at prescribed rates from the Public Reference Section of the Commission at the address set forth above.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The following documents previously filed with the Commission pursuant to the Exchange Act are incorporated by reference:

1. The Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1992;

2. The Company's Quarterly Reports on Form 10-Q for the fiscal quarters ended March 31, 1993, June 30, 1993 and September 30, 1993;

3. The Company's Current Report on Form 8-K dated November 18, 1993;

4. The Company's Current Report on Form 8-K dated February 10, 1994; and

5. All other documents filed by the Company pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act subsequent to the date hereof and prior to the termination of the offering of the Notes offered hereby.

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

The Company will provide without charge to any person to whom this Prospectus is delivered, upon written or oral request of such person, a copy of any or all of the documents which have been incorporated by reference in this Prospectus, other than exhibits to such documents, unless such exhibits are specifically incorporated by reference into the documents so incorporated. Requests for such copies should be directed to Secretary, AMETEK, Inc., Station Square, Paoli, Pennsylvania 19301 (telephone number: (215) 647-2121).

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SECURITIES OFFERED HEREBY AT LEVELS ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH TRANSACTIONS MAY BE EFFECTED ON THE NEW YORK STOCK EXCHANGE OR OTHERWISE. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

PROSPECTUS SUMMARY

The following summary is qualified in its entirety by the more detailed information and financial statements, including the notes thereto, appearing elsewhere or incorporated by reference in this Prospectus. Unless the context otherwise requires, all references herein to the "Company" or "Ametek" include AMETEK, Inc. and its subsidiaries. See "Risk Factors" for a discussion of certain considerations associated with investment in the Notes.

THE COMPANY

Ametek is an international manufacturer of high quality, engineered products for industrial and commercial markets. The Company has a significant market share for many of its products and a leading market share in electric motors for vacuum cleaners and other floor care products, the Company's most significant business. Many of the Company's products have a technological component and are engineered to customer specifications. The Company employs approximately 6,000 individuals and operates 32 manufacturing facilities located in 12 states, as well as in Italy, Denmark, England and Mexico.

The Company's products are produced and sold worldwide through the Company's Electro-mechanical, Precision Instruments and Industrial Materials Groups. The principal products of each of the Groups include:

- Electro-mechanical Group--fractional horsepower electric motors and blowers for vacuum cleaners and other floor care products, as well as for furnaces, lawn tools, computer equipment, photocopiers and other applications.

- Precision Instruments Group--instruments for commercial and military aircraft and engines, devices for measuring, monitoring and controlling industrial manufacturing processes, pressure gauges, and instrumentation for heavy trucks.

- Industrial Materials Group--specialty metal products for electronics, general industry and consumer goods, water filtration systems, temperature and corrosion resistant materials, plastic compounds for automotive and appliance markets and protective foam wrap for furniture and fruit.

The Company's business has grown over the years through a combination of acquisitions and internal growth into a diversified manufacturing company serving a wide range of markets. The Company has concentrated on identifying, developing and marketing high quality, technology-based products which hold, or

have the potential for gaining, a significant share of one or more niche markets.

In November 1993, the Company completed a broad strategic review and announced a plan intended to enhance shareholder value over the long term. From an operational point of view, the Company will seek to increase the profitability of its existing businesses through (i) growth and reinvestment, particularly in its electro-mechanical, specialty metal and water filtration operations, (ii) continued emphasis on controlling costs and (iii) an increased focus on foreign sales, especially in the Pacific Rim and Europe, through a combination of direct selling efforts and joint ventures. The Company also intends to pursue strategic acquisitions on a selective basis. In addition, the Company intends to continue its policy of reviewing, from time to time, possible divestitures of existing businesses.

From a financial point of view, the Company's plan, which takes advantage of the Company's historically strong cash flow, involves repurchasing outstanding shares of its Common Stock for an aggregate purchase price of up to $150 million and refinancing existing debt with the net proceeds from the sale of the Notes offered hereby, borrowings under a new secured credit agreement and

available cash. The resulting increased leverage will reduce the Company's financial and operating flexibility. Accordingly, the plan also calls for a reduction in the quarterly per share dividend rate on the Company's Common Stock from $.17 to $.06 and a decrease in the Company's leverage over time. See "Risk Factors--Increased Leverage" and "--Ranking."

The Company also recorded certain after tax charges against earnings of $28.6 million during the fourth quarter of 1993, resulting in aggregate charges of $33.5 million for the year. A substantial portion of these charges relates to the restructuring of several businesses and the remainder reflects asset write-downs and other unusual charges against income. The restructuring charges primarily result from actions taken or planned due to the unwillingness of the union at a Precision Instruments facility in Sellersville, Pennsylvania to agree on wage and work rule concessions requested by the Company necessary to make such operation competitive. These actions include relocating, outsourcing and downsizing various manufacturing functions at this facility. See "Risk Factors--Business Restructuring" and "--Labor Relations" and "Management's Discussion and Analysis of Financial Condition and Results of Operations." The Company will also record an extraordinary after tax charge of approximately $13 million in 1994 for the early retirement of existing debt after completion of the sale of the Notes offered hereby and the application of the proceeds thereof.

THE OFFERING

Securities Offered.....	$150 million principal amount of % Senior Notes due 2006 (the "Notes").
Interest Payment Dates.....	and , commencing , 1994.
Maturity.....	, 2006.
Redemption.....	The Notes are redeemable at the option of the Company, in whole or in part, on or after , 1999, at the redemption prices set forth herein, plus accrued interest to the redemption date. The Notes are not entitled to the benefit of any sinking fund.
Ranking.....	The Notes will be unsubordinated, unsecured obligations of the Company and will rank pari passu with all other unsubordinated and unsecured obligations of the Company. The Notes will be effectively subordinated to secured indebtedness of the Company with respect to the assets securing such secured indebtedness to the extent of the security. After giving pro forma effect to the transactions described under "Use of Proceeds," as of December 31, 1993, the Company would have had secured indebtedness of

	approximately $175.0 million. The Indenture relating to the Notes (the "Indenture") permits the Company to incur additional secured indebtedness under certain circumstances. Additionally, the Notes will be effectively subordinated to liabilities of subsidiaries of the Company. As of December 31, 1993, the subsidiaries of the Company had liabilities of approximately $94.8 million. The Indenture permits the Company's subsidiaries to incur additional indebtedness under certain circumstances. See "Description of the Notes."

Certain Covenants.....	The Indenture contains certain covenants that, among other things, limit the ability of the Company and its subsidiaries to incur indebtedness, make restricted payments, incur liens, enter into sale and leaseback transactions, restrict subsidiaries from paying dividends or making other payments to the Company and merge or consolidate with other entities. See "Description of the Notes."
Change in Control.....	In the event of a Change of Control (as defined in the Indenture), the Company is required to offer to purchase all outstanding Notes at 101% of their principal amount plus accrued interest to the date of purchase.
Use of Proceeds.....	The proceeds of the Notes offered hereby, together with borrowings under the Company's new $250 million secured credit agreement (the "Credit Agreement") and available cash, will be used (a) to retire (i) $106.8 million aggregate principal amount of outstanding 8.95% Senior Notes of the Company due September 15, 2001 (the "8.95% Notes") held by institutional investors, (ii) $75.0 million aggregate principal amount of outstanding 9.35% Senior Notes of the Company due September 15, 2004 (the "9.35% Notes") held by institutional investors and (iii) $3.6 million aggregate principal amount of outstanding 8.05% Senior Secured Notes of the Company due July 15, 2004 (the "8.05% Notes" and, collectively with the 8.95% Notes and the 9.35% Notes, the "Institutional Notes") held by an institutional investor, (b) to repurchase outstanding shares of the Company's Common Stock, $1.00 par value per share (the "Common Stock"), for an aggregate purchase price of up to $150 million, and (c) to pay fees and expenses related to the sale of the Notes offered hereby and the Credit Agreement. See "Use of Proceeds."
Listing.....	The Notes have been approved for listing on the New York Stock Exchange, subject to notice of issuance.

SUMMARY FINANCIAL DATA

The following tables set forth summary historical and supplemental pro forma financial data of the Company. The historical financial data are derived from the Company's consolidated financial statements which have been audited by Ernst & Young, independent auditors.

The summary financial data set forth below should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations," the Consolidated Financial Statements and related Notes shown in the index on page F-1 and other financial data included herein.

	YEARS ENDED DECEMBER 31,				
	1989	1990	1991	1992	1993
	(DOLLARS IN THOUSANDS)				
HISTORICAL DATA					
INCOME STATEMENT DATA:					
Net sales	$587,844	$660,745	$715,099	$769,550	$732,195
Cost and expenses	527,618	592,375	648,794	690,407	687,037
Resizing and restructuring charges(1)	--	--	--	--	45,089
Operating income	60,226	68,370	66,305	79,143	69
Other income (expense):					
Interest expense	(15,234)	(20,818)	(22,079)	(19,721)	(17,603)
Other, net	15,691	9,103	8,152	7,297	6,337
Income (loss) before income taxes(2)	60,683	56,655	52,378	66,719	(11,197)
Provision for (benefit from) income taxes	22,387	19,317	14,392	22,362	(3,865)
Net income (loss)	$ 38,296	$ 37,338	$ 37,986	$ 44,357	$ (7,332)
Ratio of earnings to fixed charges(3)	4.5x	3.3x	3.2x	4.0x	--
OPERATING AND OTHER DATA:					
Depreciation and amortization	$25,273	$33,542	$36,455	$37,263	$ 35,907
Capital expenditures	25,684	35,683	18,808	23,990	38,324
Dividends paid	27,415	28,221	28,990	29,991	25,095
EBITDA(4)	91,180	100,707	103,520	117,584	92,368
Ratio of EBITDA to interest expense(4)	5.9x	4.8x	4.7x	5.9x	5.2x
Ratio of debt to EBITDA(4)	2.5x	2.5x	2.1x	1.8x	2.0x
BALANCE SHEET DATA (END OF PERIOD):					
Working capital	$215,072	$184,397	$181,449	$190,205	$134,163
Total assets	563,313	615,170	612,473	603,089	562,663
Long-term debt (including current portion)	229,518	248,078	220,911	206,922	186,972
Stockholders' equity	194,879	199,412	211,479	210,272	165,326

SUPPLEMENTAL PRO FORMA DATA (5)	
INCOME STATEMENT DATA:	
Operating income	$ 54,979
Interest expense	(24,247)
Other income, net	3,785
Income before income taxes	34,517
Net income	20,553
Ratio of earnings to fixed charges(6)	2.2x
OPERATING AND OTHER DATA:	
Dividends paid	$ 10,536
Ratio of EBITDA to interest expense(4)	3.7x
Ratio of debt to EBITDA(4)	3.5x
BALANCE SHEET DATA (END OF PERIOD):	
Working capital	$114,546
Total assets	538,221
Long-term debt (including current portion)	326,622
Stockholders' equity	1,660

See notes on following page.

(1) The resizing and restructuring charges relate to the restructuring of several businesses and include charges for work force reductions, both planned and those which occurred in 1993, asset write-downs, relocation of product lines and the overall consolidation of the Company's aerospace operations. Approximately 75% of these charges relate to the Company's Sellersville facility and result from actions taken or planned due to the unwillingness of the union at such facility to agree on wage and work rule concessions requested by the Company necessary to make that operation competitive. These actions include relocating, outsourcing and downsizing various manufacturing functions at this facility. See "Risk Factors--Business Restructuring" and "--Labor Relations" and "Management's Discussion and Analysis of Financial Condition and Results of Operations."

(2) Includes unusual charges of $9.8 million in 1993 for asset write-downs and other unusual items.

(3) For purposes of calculating the ratio of earnings to fixed charges, earnings represents income before income taxes and fixed charges. Fixed charges consist of interest expense, amortization of deferred financing costs and the estimated component of operating lease expenses representing interest (assumed to be one-third). Earnings were insufficient to cover fixed charges by $12.2 million in 1993.

(4) EBITDA represents income before income taxes, interest expense, interest income, amortization of deferred financing costs, depreciation and amortization expenses and the charges referred to in notes 1 and 2 above. EBITDA is presented as additional information relating to the Company's ability to service its debt but is not presented as being representative of operating results or cash flows for the period. See "Consolidated Statements of Cash Flows" for each of the three years in the period ended December 31, 1993 included elsewhere in this Prospectus.

The ratio of EBITDA to interest expense represents the ratio of EBITDA to the sum of interest expense plus amortization of deferred financing costs.

The ratio of debt to EBITDA for each period represents the ratio of debt at the end of such period to EBITDA for such period.

(5) The Supplemental Pro Forma Data represent historical data for 1993 and as of December 31, 1993, adjusted to give effect to the following events as though they had occurred at the beginning of the period, in the case of pro forma Income Statement Data and Operating and Other Data, and as of December 31, 1993, in the case of pro forma Balance Sheet Data:

(a) the issuance of $150 million principal amount of Notes being offered hereby at an assumed interest rate of 8.75%;

(b) the borrowing of $125 million under the floating rate term facility of the Credit Agreement, a portion of which is assumed to be converted through interest rate swaps into a fixed rate borrowing resulting in an assumed effective interest rate of 6.6%;

(c) the borrowing of $50 million under the floating rate revolving credit facility of the Credit Agreement at an assumed interest rate of 5.0%;

(d) the application of the proceeds of the foregoing and $33.4 million of available cash, as described under "Use of Proceeds," to (i) retire approximately $185.4 million of Institutional Notes, (ii) repurchase outstanding shares of the Company's Common Stock for an aggregate purchase price of $150 million and (iii) pay the estimated fees and expenses related to the foregoing;

(e) with respect to the pro forma Income Statement Data and Operating and Other Data only, the elimination of the charges referred to in notes 1 and 2 above; and

(f) with respect to the pro forma Balance Sheet Data only, the

recording of a $13 million (after tax) extraordinary charge which the Company expects to record against income in 1994 in connection with the early retirement of the Institutional Notes, in addition to the write-off of related deferred financing costs.

Additionally, the pro forma dividends paid reflects the annualized fourth quarter 1993 rate of $.06 per share (as compared to the prior quarterly rate of $.17 per share) without giving effect to the share repurchase.

The Supplemental Pro Forma Data are based on certain assumptions that may not prove to be accurate and do not purport to represent what the Company's results of operations or financial position actually would have been had the events referred to above in fact occurred for the periods or as of the dates indicated or to project the Company's results of operations or financial condition for any future period or date. For each 1/8 of 1% change in assumed interest rates on the Notes being offered hereby and on borrowings under the new Credit Agreement, pro forma interest expense would change by $408,000 and pro forma net income would change by $249,000, for the year ended December 31, 1993.

(6) For purposes of calculating the supplemental pro forma ratio of earnings to fixed charges, earnings represents pro forma income before income taxes, fixed charges and the charges referred to in notes 1 and 2 above. Fixed charges consist of interest expense, amortization of deferred financing costs and the estimated component of operating lease expenses representing interest (assumed to be one-third).

RISK FACTORS

INCREASED LEVERAGE

As a result of the transactions described under "Use of Proceeds," the Company's indebtedness will increase while at the same time its stockholders' equity will decrease. On the pro forma basis described in Note 5 to "Selected Financial Data," the Company's long-term debt (including the current portion thereof) as of December 31, 1993 would have been approximately $326.6 million, or 74.7% higher than the actual long-term debt of approximately $187.0 million at such date, and its stockholders' equity would have been approximately $1.7 million, or $163.6 million less than the actual stockholders' equity of $165.3 million at that date. This increased level of indebtedness could have important consequences to holders of the Notes, including the following: (i) the Company's ability to obtain additional financing in the future for working capital, capital expenditures, acquisitions or other general corporate purposes will be reduced; (ii) a significant portion of the Company's cash flow from operations will be required to service debt, and, as a result, these funds will not be available for working capital, capital expenditures, acquisitions or other general corporate purposes; and (iii) the Company's increased level of indebtedness will make it more vulnerable in the event of a further downturn in its various businesses. Moreover, financial and other covenants contained in the Indenture and the Credit Agreement will restrict the Company's ability to engage in certain transactions, such as making certain capital expenditures, incurring further indebtedness and selling and purchasing assets or businesses outside the ordinary course of business. See "The Credit Agreement" and "Description of the Notes." There can be no assurance that the Company's leverage and these restrictions will not adversely affect the Company's ability to finance its future operations or capital needs or to engage in other business activities, such as acquisitions, which may be in the interest of the Company. The Company believes that cash flow from operations and the retention of a substantially greater portion thereof under the Company's new policy regarding the payment of dividends on its Common Stock will enable it to make all required payments on its indebtedness when due, including under the Notes. However, if future cash provided by operations is less than expected, the Company could experience difficulty in meeting the payments due on such indebtedness.

BUSINESS RESTRUCTURING

The Company is in the process of restructuring several of its businesses and, in connection with this process, has taken charges for resizing, restructuring and other unusual items against income of $33.5 million (after tax) during 1993.

Approximately $27.5 million of the charges relates to the restructuring. Most of the charges for restructuring relates to the Company's aerospace and pressure gauge operations at its facility in Sellersville, Pennsylvania. The union at Sellersville was unwilling to agree on wage and work rule concessions which were requested by the Company in order to make the operation competitive. As a result, the Company has decided to move its Sellersville aerospace manufacturing operation to another location. These restructuring charges are intended to cover certain pension and severance costs, the costs of the planned relocation and other costs that are expected to result from the transition. The overall restructuring charges also cover relocating, outsourcing, downsizing and other restructuring actions related to the pressure gauge business at Sellersville. The balance of the restructuring charges relates to the resizing of the Company's other aerospace operations and other businesses to correspond with prevailing market conditions. The remaining $6.0 million of the charges relates to asset write-downs and other unusual charges against income.

While the Company believes that these restructuring charges should reflect substantially all of the costs of the Sellersville relocation, the downsizing of the aerospace operations and other components

of its restructuring, there can be no assurance that these charges will prove adequate or that additional charges will not be necessary in 1994 or thereafter to account for the effects of this restructuring.

DEPENDENCE ON GENERAL ECONOMIC CONDITIONS

The demand for the Company's products is subject to general economic conditions, such as rates of inflation, fluctuations in general business conditions, governmental regulation and the availability of financing at favorable rates, which factors are outside the control of the Company. In addition, a weak economy (particularly in the aerospace industry, which has been adversely affected by the reduced profitability of the deregulated commercial airline industry and reduced military spending) has adversely affected the Company's results, particularly results of the Precision Instruments Group. There can be no assurance that the current general economic conditions will not continue or worsen.

RANKING

The Notes are unsecured and thus, in effect, would rank junior to any secured indebtedness, including borrowings under the Credit Agreement, of the Company to the extent of the security. Subject to certain de minimis and other exceptions, all assets owned by the Company and the Company's subsidiaries that are guarantors under the Credit Agreement will be pledged to the Banks (as defined) to secure the Company's obligations under the Credit Agreement. See "The Credit Agreement." On the pro forma basis described in Note 5 to "Selected Financial Data," as of December 31, 1993, the Company would have had secured indebtedness of approximately $175.0 million. The Indenture permits the Company to incur secured indebtedness in addition to indebtedness under the Credit Agreement under certain circumstances. See "Description of the Notes."

LIABILITIES OF SUBSIDIARIES

Certain of the Company's business activities are operated or held by subsidiaries. The Company's ability to meet its financial obligations, including its obligations under the Notes, depends in part upon the receipt of cash dividends, advances and other payments from its subsidiaries. The Notes are effectively subordinated to all existing and future liabilities, including trade payables, of the Company's subsidiaries with respect to the assets of such subsidiaries. Any right of the Company to participate in any distribution of the assets of any of the Company's subsidiaries upon the liquidation, reorganization or insolvency of such subsidiaries (and the consequent right of the holders of the Notes to participate in such distributions) will be subject to the claims of the creditors (including trade creditors) of such subsidiaries. As of December 31, 1993, the assets and liabilities (excluding intercompany receivables and payables) of the Company's subsidiaries aggregated approximately $259.7 million and $94.8 million, respectively. The Indenture permits the Company's subsidiaries to incur additional indebtedness under certain circumstances. See "Description of the Notes."

RISKS ASSOCIATED WITH INTERNATIONAL OPERATIONS

During 1993, approximately 13.3% of the Company's revenues were derived from its foreign operations (and another 14.4% of the Company's revenues were derived from export sales from the United States). Assets of these foreign operations were $84.4 million and represented 15.0% of the Company's total assets at December 31, 1993. Such operations are subject to the customary risks of operating in an international environment, including the potential imposition of trade or foreign exchange restrictions, tariff and other tax increases, fluctuations in exchange rates and unstable political situations. The Company has significant operations in Italy, the currency of which has been unstable in the recent past. There can be no assurance that there will not be further instability in the Italian lire which could have a material adverse effect on the Company's results of operations. See "Management's Discussion and Analysis of Financial Condition and Results of Operations."

CHANGE OF CONTROL

Upon the occurrence of a Change of Control (as defined in the Indenture), subject to certain limitations, holders of the Notes have the right to require the Company to repurchase their Notes. However, a Change of Control would constitute an event of default under the Credit Agreement and the Company is required under the terms thereof to insure that the date for payment of the purchase price for all Notes that must be repurchased as a result of such Change of Control is no earlier than the date on which the loans under the Credit Agreement become due and payable as a result thereof, unless otherwise agreed to by the lenders thereunder. See "The Credit Agreement". Accordingly, the right of holders of the Notes to require the Company to repurchase the Notes may be of limited value if the Company cannot obtain sufficient funding to repay the loans under the Credit Agreement or obtain the requisite consent of the lenders thereunder. Failure to offer to repurchase the Notes under such circumstances, however, would constitute an Event of Default under the Indenture.

DEPENDENCE ON SEVERAL CUSTOMERS

While the Company as a whole is not dependent on any single customer such that the loss of such customer would have a material adverse effect on its operations, during 1993 approximately 15.8% of the Company's total revenues were derived from sales to the Company's five largest customers, including the United States government. The Company expects that revenues from major customers will continue to constitute significant percentages of the Company's total revenues for the foreseeable future. There can be no assurance, however, that major customers will continue to purchase the Company's products. The loss of major customers could have a material adverse effect on the Company's financial condition or results of operations.

ENVIRONMENTAL MATTERS

The Company is subject to extensive environmental and occupational health and safety laws and regulations concerning, among other things, air emissions, discharges to waters and the generation, handling, storage, transportation and disposal of hazardous substances and wastes. Environmental risks are inherent in many of the Company's manufacturing operations. In addition, the Comprehensive Environmental Response, Compensation and Liability Act and similar state laws generally impose joint and several liability for clean-up costs, without regard to fault or the legality of the original conduct, on parties contributing hazardous substances to sites from which there is a release or threats of release of hazardous substances. The Company has been named a potentially responsible party at several sites which are the subject of government-mandated clean-ups. While it is not possible to accurately quantify the potential financial impact of pending environmental matters, the Company believes that the outcome of these matters is not likely to have a material adverse effect on the financial position or future results of operations of the Company. However, there can be no assurance that future environmental liabilities will not occur or that environmental damages arising from prior or present practices will not result in future liabilities or that such liabilities will not have a material adverse effect on the Company's financial condition or results of operations.

LABOR RELATIONS

Of the Company's approximately 6,000 employees, approximately 2,400 are covered by collective bargaining agreements. Although the Company believes that its relations with its union employees are generally good, there is no assurance that the Company will not at some point be subject to work stoppages and possibly a strike by some of its employees and, if such events were to occur, that there would be no material adverse effect on the Company's financial condition or results of operations. Recently, the union at a Precision Instruments facility in Sellersville, Pennsylvania was unwilling to agree on wage and work rule concessions requested by the Company necessary to make such

operation competitive. As a result, the Company has decided to move a major portion of its manufacturing operations to another location. Although the Company believes its 1993 restructuring charges will be adequate to provide for this relocation (see "Risk Factors--Business Restructuring"), there can be no assurance that this amount will be adequate to cover any disruptions that could arise from the move of such operations. See "Management's Discussion and Analysis of Financial Condition and Results of Operations."

FRAUDULENT CONVEYANCE

Under applicable provisions of the Federal Bankruptcy Code or comparable provisions of state fraudulent transfer or conveyance law, if the Company, at the time it issued the Notes, (a) incurred such indebtedness with the intent to hinder, delay or defraud creditors, or (b)(i) received less than reasonably equivalent value or fair consideration for incurring such indebtedness and (ii) either (A) was insolvent at the time of the incurrence, (B) was rendered insolvent by reason of such incurrence (and the application of the proceeds thereof), (C) was engaged or was about to engage in a business or transaction for which the assets remaining with the Company constituted unreasonably small capital to carry on its business, or (D) intended to incur, or believed that it would incur, debts beyond its ability to pay such debts as they mature, then, in each such case, a court of competent jurisdiction could avoid, in whole or in part, the Notes or, in the alternative, subordinate the Notes to existing and future indebtedness of the Company. The avoidance or subordination of all or part of the Notes could result in an event of default with respect to other indebtedness of the Company which could result in acceleration of such indebtedness. The measure of insolvency for purposes of the foregoing will vary depending upon the law applied in such case. Generally, the Company would be considered insolvent if the sum of its debts, including contingent liabilities, was greater than all of its assets at a fair valuation or if the present fair saleable value of its assets was less than the amount that would be required to pay the probable liability on its existing debts, including contingent liabilities, as they become absolute and matured.

Management of the Company believes that, although a substantial portion of the net proceeds from the sale of the Notes and borrowings under the Credit Agreement may be used to repurchase outstanding shares of the Company's Common Stock, for purposes of the Federal Bankruptcy Code and state fraudulent transfer or conveyance laws, the Notes are being issued without the intent to hinder, defraud or delay creditors, for proper purposes and in good faith and that the Company is and, after the issuance of the Notes and the application of the proceeds thereof, will be, solvent, will have sufficient capital for carrying on its business and will be able to pay its debts as they mature. There can be no assurance, however, that a court passing on such questions would agree with management's view.

ABSENCE OF PUBLIC MARKET

There is no existing market for the Notes. Although the Notes have been approved for listing, subject to notice of issuance, on the New York Stock Exchange, there can be no assurance as to the liquidity of any market that may develop for the Notes, the ability of holders to sell their Notes or the price at which holders will be able to sell their Notes. If such a market develops, the Notes may trade at a discount from their initial offering price, depending on prevailing interest rates, the Company's operating results, the market for similar securities and other factors. The market for high yield debt, such as the Notes, has fewer participants and involves a smaller amount of securities than certain other capital markets. It has historically, and particularly in recent periods, been subject to disruptions that have caused volatility in the

prices of securities similar to the Notes. There can be no assurance that the market for the Notes will not be subject to similar disruptions that will render them difficult to sell. Goldman, Sachs & Co. have indicated that they intend to make a market in the Notes but they are not obligated to do so and may discontinue market making at any time.

THE COMPANY

Ametek is an international manufacturer of high quality, engineered products for industrial and commercial markets. The Company has a significant market share for many of its products and a leading market share in electric motors for vacuum cleaners and other floor care products, the Company's most significant business. Many of the Company's products have a technological component and are engineered to customer specifications. The Company employs approximately 6,000 individuals and operates 32 manufacturing facilities located in 12 states, as well as in Italy, Denmark, England and Mexico.

The Company's products are produced and sold worldwide through the Company's Electro-mechanical, Precision Instruments and Industrial Materials Groups. The principal products of each of the Groups include:

- Electro-mechanical Group--fractional horsepower electric motors and blowers for vacuum cleaners and other floor care products, as well as for furnaces, lawn tools, computer equipment, photocopiers and other applications.

- Precision Instruments Group--instruments for commercial and military aircraft and engines, devices for measuring, monitoring and controlling industrial manufacturing processes, pressure gauges, and instrumentation for heavy trucks.

- Industrial Materials Group--specialty metal products for electronics, general industry and consumer goods, water filtration systems, temperature and corrosion resistant materials, plastic compounds for automotive and appliance markets and protective foam wrap for furniture and fruit.

The Company's business has grown over the years through a combination of acquisitions and internal growth into a diversified manufacturing company serving a wide range of markets. The Company has concentrated on identifying, developing and marketing high quality, technology-based products which hold, or have the potential for gaining, a significant share of one or more niche markets.

In November 1993, the Company completed a broad strategic review and announced a plan intended to enhance shareholder value over the long term. From an operational point of view, the Company will seek to increase the profitability of its existing businesses through (i) growth and reinvestment, particularly in its electro-mechanical, specialty metal and water filtration operations, (ii) continued emphasis on controlling costs and (iii) an increased focus on foreign sales, especially in the Pacific Rim and Europe, through a combination of direct selling efforts and joint ventures. The Company also intends to pursue strategic acquisitions on a selective basis. In addition, the Company intends to continue its policy of reviewing, from time to time, possible divestitures of existing businesses.

From a financial point of view, the Company's plan, which takes advantage of the Company's historically strong cash flow, involves repurchasing outstanding shares of its Common Stock for an aggregate purchase price of up to $150 million and refinancing existing debt with the net proceeds from the sale of the Notes offered hereby, borrowings under the Credit Agreement and available cash. The resulting increased leverage will reduce the Company's financial and operating flexibility. Accordingly, the plan also calls for a reduction in the quarterly per share dividend rate on the Company's Common Stock from $.17 to $.06 and a decrease in the Company's leverage over time. See "Risk Factors--Increased Leverage" and "--Ranking."

The Company also recorded certain after tax charges against earnings of $28.6 million during the fourth quarter of 1993, resulting in aggregate charges of $33.5 million for the year. A substantial portion of these charges relates to the restructuring of several businesses and the remainder reflects asset write-downs and other unusual charges against income. The restructuring

charges primarily result from

actions taken or planned due to the unwillingness of the union at a Precision Instruments facility in Sellersville, Pennsylvania to agree on wage and work rule concessions requested by the Company necessary to make such operation competitive. These actions include relocating, outsourcing and downsizing various manufacturing functions at this facility. See "Risk Factors--Business Restructuring" and "--Labor Relations" and "Management's Discussion and Analysis of Financial Condition and Results of Operations." The Company will also record an extraordinary after tax charge of approximately $13 million in 1994 for the early retirement of the Institutional Notes after completion of the sale of the Notes offered hereby and the application of the proceeds thereof.

AMETEK, Inc. was incorporated in Delaware in 1930 under the name of American Machine and Metals, Inc. and maintains its principal executive offices at Station Square, Paoli, Pennsylvania 19301, telephone number (215) 647-2121.

USE OF PROCEEDS

The net proceeds from the sale of the Notes offered hereby are estimated to be $ (after deducting the underwriting discount and other expenses related to the sale of the Notes). The proceeds, together with borrowings under the Company's Credit Agreement and available cash, will be used (a) to retire the Institutional Notes, (b) to repurchase outstanding shares of its Common Stock (pursuant to open market or privately negotiated purchases, a tender offer or a combination of the foregoing) for an aggregate purchase price of up to $150 million and (c) to pay fees and expenses related to the sale of the Notes and the Credit Agreement.

The following table illustrates the Company's current expectation as to the sources and uses of funds in connection with the transactions described above:

SOURCES OF FUNDS	DOLLARS IN THOUSANDS
1. Credit Agreement	
Secured Term Loan Facility	$125,000
Secured Revolving Credit Facility	50,000
2.Gross Proceeds from sale of the Notes offered hereby	150,000
3.Available Cash	33,350
Total Sources	$358,350

USES OF FUNDS	
1. Retirement of the aggregate principal amount of the Institutional Notes	$185,350
2.Repurchase of outstanding shares of Common Stock	150,000
3. Fees and expenses (including underwriting discount) related to the sale of the Notes and the Credit Agreement and premiums for early retirement of the Institutional Notes	23,000
Total Uses	$358,350

See "Capitalization" and "Selected Financial Data--Supplemental Pro Forma Data" for the pro forma effects of the foregoing transactions and "The Credit Agreement" for a description of the terms of the Credit Agreement.

CAPITALIZATION

The following table sets forth the capitalization of the Company at December 31, 1993, and as adjusted to reflect the impact of the matters described in Note 5 to "Selected Financial Data." See "Risk Factors--Increased Leverage" and "--Ranking."

	DECEMBER 31, 1993	
	ACTUAL	AS ADJUSTED(1)
	(DOLLARS IN THOUSANDS)	
Debt:		
8.95% Notes due September 15, 2001	$106,750	$ --
9.35% Notes due September 15, 2004	75,000	--
8.05% Notes due July 15, 2004	3,600	--
Other	1,622	1,622
Credit Agreement(2):		
Secured Term Loan Facility	--	125,000
Secured Revolving Credit Facility	--	50,000
Notes offered hereby	--	150,000
Total debt	186,972	326,622
Stockholders' equity	165,326	1,660(3)
Total capitalization	$352,298	$328,282

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(1) For an explanation of the adjustments, see Note 5 to "Selected Financial Data."

(2) See "The Credit Agreement" for a description of the interest rates and other terms and conditions of borrowings under the Credit Agreement.

(3) Stockholders' equity is reduced by $150 million for the assumed repurchase of Common Stock and by the $13 million (after tax) extraordinary charge to be incurred in 1994 in connection with the early retirement of the Institutional Notes, in addition to the write-off of deferred financing costs.

SELECTED FINANCIAL DATA

The following tables set forth selected historical and supplemental pro forma financial data of the Company. The historical financial data are derived from the Company's consolidated financial statements which have been audited by Ernst & Young, independent auditors.

The unaudited supplemental pro forma financial data for the year ended December 31, 1993 represents the historical data as of and for the year ended December 31, 1993 adjusted for the items described in Note 5 below. The supplemental pro forma adjustments described in Note 5 are based upon estimates and assumptions that management believes are reasonable.

The selected financial data set forth below should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" which follows this section, the Consolidated Financial Statements and related Notes shown in the index on page F-1 and other financial data included herein.

	YEARS ENDED DECEMBER 31,				
	1989	1990	1991	1992	1993
	(DOLLARS IN THOUSANDS)				
HISTORICAL DATA					
INCOME STATEMENT DATA:					
Net sales	$587,844	$660,745	$715,099	$769,550	$732,195

Expenses:					
Cost of sales (excluding depreciation)	444,004	498,749	546,479	583,357	582,001
Selling, general and administrative	66,057	69,563	74,038	77,690	76,759
Depreciation	17,557	24,063	28,277	29,360	28,277
Resizing and restructuring charges(1)	--	--	--	--	45,089
Operating income	60,226	68,370	66,305	79,143	69
Other income (expense):					
Interest expense	(15,234)	(20,818)	(22,079)	(19,721)	(17,603)
Other, net	15,691	9,103	8,152	7,297	6,337
Income (loss) before income taxes(2)	60,683	56,655	52,378	66,719	(11,197)
Provision for (benefit from) income taxes	22,387	19,317	14,392	22,362	(3,865)
Net income (loss)	$ 38,296	$ 37,338	$ 37,986	$ 44,357	$ (7,332)
Ratio of earnings to fixed charges(3)	4.5x	3.3x	3.2x	4.0x	--
OPERATING AND OTHER DATA:					
Depreciation and amortization	$ 25,273	$ 33,542	$ 36,455	$ 37,263	$ 35,907
Capital expenditures	25,684	35,683	18,808	23,990	38,324
Dividends paid	27,415	28,221	28,990	29,991	25,095
EBITDA(4)	91,180	100,707	103,520	117,584	92,368
Ratio of EBITDA to interest expense(4)	5.9x	4.8x	4.7x	5.9x	5.2x
Ratio of debt to EBITDA(4)	2.5x	2.5x	2.1x	1.8x	2.0x
BALANCE SHEET DATA (END OF PERIOD):					
Working capital	$215,072	$184,397	$181,449	$190,205	$134,163
Total assets	563,313	615,170	612,473	603,089	562,663
Long-term debt (including current portion)	229,518	248,078	220,911	206,922	186,972
Stockholders' equity	194,879	199,412	211,479	210,272	165,326

SUPPLEMENTAL PRO FORMA DATA(5)	
INCOME STATEMENT DATA:	
Operating income	$ 54,979
Interest expense	(24,247)
Other income, net	3,785
Income before income taxes	34,517
Net income	20,553
Ratio of earnings to fixed charges(6)	2.2x
OPERATING AND OTHER DATA:	
Dividends paid	$ 10,536
Ratio of EBITDA to interest expense(4)	3.7x
Ratio of debt to EBITDA(4)	3.5x
BALANCE SHEET DATA (END OF PERIOD):	
Working capital	$114,546
Total assets	538,221
Long-term debt (including current portion)	326,622
Stockholders' equity	1,660

(1) The resizing and restructuring charges relate to the restructuring of several businesses and include charges for work force reductions, both planned and those which occurred in 1993, asset write-downs, relocation of product lines and the overall consolidation of the Company's aerospace operations. Approximately 75% of these charges relate to the Company's Sellersville facility and result from actions taken or planned due to the

unwillingness of the union at such facility to agree on wage and work rule concessions requested by the Company necessary to make that operation competitive. These actions include relocating, outsourcing and downsizing various manufacturing functions at this facility. See "Risk Factors--Business Restructuring" and "--Labor Relations" and "Management's Discussion and Analysis of Financial Condition and Results of Operations."

(2) Includes unusual charges of $9.8 million in 1993 for asset write-downs and other unusual items.

(3) For purposes of calculating the ratio of earnings to fixed charges, earnings represents income before income taxes and fixed charges. Fixed charges consist of interest expense, amortization of deferred financing costs and the estimated component of operating lease expenses representing interest (assumed to be one-third). Earnings were insufficient to cover fixed charges by $12.2 million in 1993.

(4) EBITDA represents income before income taxes, interest expense, interest income, amortization of deferred financing costs, depreciation and amortization expenses and the charges referred to in notes 1 and 2 above. EBITDA is presented as additional information relating to the Company's ability to service its debt but is not presented as being representative of operating results or cash flows for the period. See "Consolidated Statements of Cash Flows" for each of the three years in the period ended December 31, 1993 included elsewhere in this Prospectus.

The ratio of EBITDA to interest expense represents the ratio of EBITDA to the sum of interest expense plus amortization of deferred financing costs.

The ratio of debt to EBITDA for each period represents the ratio of debt at the end of such period to EBITDA for such period.

(5) The Supplemental Pro Forma Data represent historical data for 1993 and as of December 31, 1993, adjusted to give effect to the following events as though they had occurred at the beginning of the period, in the case of pro forma Income Statement Data and Operating and Other Data, and as of December 31, 1993, in the case of pro forma Balance Sheet Data:

(a) the issuance of $150 million principal amount of Notes being offered hereby at an assumed interest rate of 8.75%;

(b) the borrowing of $125 million under the floating rate term facility of the Credit Agreement, a portion of which is assumed to be converted through interest rate swaps into a fixed rate borrowing resulting in an assumed effective interest rate of 6.6%;

(c) the borrowing of $50 million under the floating rate revolving credit facility of the Credit Agreement at an assumed interest rate of 5.0%;

(d) the application of the proceeds of the foregoing and $33.4 million of available cash, as described under "Use of Proceeds," to (i) retire approximately $185.4 million of Institutional Notes, (ii) repurchase outstanding shares of the Company's Common Stock for an aggregate purchase price of $150 million and (iii) pay the estimated fees and expenses related to the foregoing;

(e) with respect to the pro forma Income Statement Data and Operating and Other Data only, the elimination of the charges referred to in notes 1 and 2 above; and

(f) with respect to the pro forma Balance Sheet Data only, the recording of a $13 million (after tax) extraordinary charge which the Company expects to record against income in 1994 in connection with the early retirement of the Institutional Notes, in addition to the write-off of related deferred financing costs.

Additionally, the pro forma dividends paid reflects the annualized fourth quarter 1993 rate of $.06 per share (as compared to the prior quarterly rate of $.17 per share) without giving effect to the share repurchase.

The Supplemental Pro Forma Data are based on certain assumptions that may not prove to be accurate and do not purport to represent what the Company's results of operations or financial position actually would have been had the events referred to above in fact occurred for the periods or as of the

dates indicated or to project the Company's results of operations or financial condition for any future period or date. For each 1/8 of 1% change in assumed interest rates on the Notes being offered hereby and on borrowings under the new Credit Agreement, pro forma interest expense would change by $408,000 and pro forma net income would change by $249,000, for the year ended December 31, 1993.

(6) For purposes of calculating the supplemental pro forma ratio of earnings to fixed charges, earnings represents pro forma income before income taxes, fixed charges and the charges referred to in notes 1 and 2 above. Fixed charges consist of interest expense, amortization of deferred financing costs and the estimated component of operating lease expenses representing interest (assumed to be one-third).

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

Management's discussion and analysis of the Company's financial condition and results of operations set forth below should be read in conjunction with the Consolidated Financial Statements of the Company and the related Notes included elsewhere in this Prospectus.

RECENT DEVELOPMENTS

Weakened market conditions in some of the markets in which the Company operates, particularly in the aerospace and process industries, have resulted in recent declines in sales and income.

In November 1993, the Company completed a broad strategic review and announced a plan intended to enhance shareholder value over the long term. From an operational point of view, the Company will seek to increase the profitability of its existing businesses through (i) growth and reinvestment, particularly in its electro-mechanical, specialty metal and water filtration operations, (ii) continued emphasis on controlling costs and (iii) an increased focus on foreign sales, especially in the Pacific Rim and Europe, through a combination of direct selling efforts and joint ventures. The Company also intends to pursue strategic acquisitions on a selective basis.

From a financial point of view, the Company's plan, which takes advantage of the Company's historically strong cash flow, involves repurchasing outstanding shares of its Common Stock for an aggregate purchase price of up to $150 million and refinancing existing debt with the net proceeds from the sale of the Notes offered hereby, borrowings under the Credit Agreement and available cash. The resulting increased leverage will reduce the Company's financial and operating flexibility. Accordingly, the plan also calls for a reduction in the quarterly per share dividend rate on the Company's Common Stock from $.17 to $.06 and a decrease in the Company's leverage over time. See "Risk Factors--Increased Leverage" and "--Ranking."

In 1993, the Company recorded pre-tax charges of $54.9 million ($33.5 million after tax, or $.77 per share) for costs associated with resizing and restructuring several of its businesses and other unusual expenses. Of the $54.9 million total charge, $46.9 million, or $.66 per share, was recorded in the fourth quarter of 1993. The total charges, on a pre-tax basis, were for (1) work force reductions, both planned and those which occurred in 1993 (including certain pension related costs) ($21.4 million); (2) asset write-downs ($15.0 million); (3) the relocation of certain product lines from a Precision Instruments facility in Sellersville, Pennsylvania and the overall consolidation of the Company's aerospace operations ($14.2 million); and (4) other unusual expenses ($4.3 million). The charges for resizing and restructuring are primarily related to the Company's Sellersville operations and result from actions taken or planned due to the unwillingness of the union at such facility to agree on wage and work rule concessions requested by the Company necessary to make that operation competitive. See "Risk Factors--Business Restructuring" and "--Labor Relations." Also, the Company has reached an agreement regarding the prepayment premiums to be paid, subject to an interest rate adjustment, for early retirement of the Institutional Notes and will record an extraordinary charge of approximately $13 million (after tax) in 1994 after completion of the sale of the Notes offered hereby and the retirement of the Institutional Notes.

SEGMENT INFORMATION

The Company classifies its operations into three principal business segments: Electro-mechanical, Precision Instruments, and Industrial Materials. The following table sets forth summary sales and income information for the Company's business segments for the periods indicated:

	YEARS ENDED DECEMBER 31,		
	1991	1992	1993
	(DOLLARS IN THOUSANDS)		
NET SALES (1):			
Electro-mechanical	$249,763	$309,556	$280,732
Precision Instruments	309,901	297,025	275,351
Industrial Materials	155,435	162,969	176,112
Total net sales	$715,099	$769,550	$732,195
INCOME (LOSS):			
Electro-mechanical	$ 35,363	$ 49,912	$ 35,018
Precision Instruments	32,914	28,045	(30,643)(2)
Industrial Materials	20,332	22,096	18,284 (3)
Total segment operating profit (4)	88,609	100,053	22,659
Corporate and other expenses (5)	(36,231)	(33,334)	(33,856)
Income (loss) before taxes	$ 52,378	$ 66,719	$(11,197)

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(1) After elimination of intersegment sales, which are not significant in amount.

(2) Reflects charges of $47.8 million primarily for resizing and restructuring costs associated with planned work force reductions and those which occurred in 1993, asset write-downs, relocation of product lines and the overall consolidation of the Company's Aerospace operations and other unusual charges.

(3) Reflects charge of $3.9 million primarily for asset write-downs.

(4) Segment operating profit represents sales less all direct costs and expenses (including certain administrative and other expenses) applicable to each segment, but does not include interest expense.

(5) Includes unallocated administrative expenses, interest expense and net other income and, in 1993, $2.8 million of restructuring and other unusual charges.

YEAR ENDED DECEMBER 31, 1993 COMPARED TO YEAR ENDED DECEMBER 31, 1992

Results of Operations

Sales for 1993 were $732.2 million, a decrease of $37.4 million or 4.9% from 1992. The sales decrease was attributable to reduced domestic and European demand for electric motor products and the negative effect of translating sales of the Company's Italian operations from the weaker Italian lire to U.S. dollars. Sales by the Precision Instruments group also declined as a result of continued poor market conditions for aerospace products and process and analytical instruments. A sales improvement was reported by the Industrial Materials group due to the strength of demand for liquid filtration products, specialty metal products and compounded plastics. Sales by all business segments to foreign markets totalled $202.9 million in 1993 compared to $233.7 million in 1992, a decrease of 13.2%. Export shipments from the United States in 1993 were $105.7 million, a decrease of 11.4% from 1992, primarily as a result of weak economic conditions in Europe.

New orders during 1993 were approximately $703.9 million, a decrease of $31.6 million or 4.3% from 1992. The backlog of orders was $212.6 million at year-end, an 11.8% decrease from 1992, reflecting the lower level of business in the Electro-mechanical and Precision Instruments groups.

Business segment operating profit before restructuring and other unusual operating charges was $74.8 million in 1993, compared to $100.1 million in 1992, a decrease of 25.3%. Along with the reduction due to the lower sales volume, this decline reflects operating inefficiencies (primarily within the Electro-mechanical and the Precision Instruments groups) and higher expenses caused by a plant start-up and a plant rearrangement in the Electro-mechanical group. In 1993, business segment results also reflect charges totalling $52.1 million for resizing and restructuring certain operations and other unusual expenses. After reflecting these charges, business segment operating profit for 1993 was $22.7 million.

Corporate expenses (including unallocated administrative expenses, interest expense and net other income) were $33.9 million in 1993, substantially unchanged from $33.3 million in 1992.

The effective rate of income tax benefit for 1993 of 34.5% reflects the new U.S. federal statutory income tax rate of 35% for all of 1993. The overall effective rate of the tax benefit was reduced somewhat by a tax provision on foreign pre-tax earnings.

After tax earnings for 1993, before restructuring and other unusual charges, were $26.2 million or $.60 per share. This compares to net income of $44.4 million or $1.01 per share earned in 1992. After restructuring and other unusual charges totalling $33.5 million (after tax), the Company reported a net loss of $7.3 million, or $.17 per share for 1993.

Business Segment Results

The Electro-mechanical group's sales decreased $28.8 million or 9.3% to $280.7 million primarily because of Italian lire currency translation and because of reduced customer demand for domestically produced electric motor products during the year. Before currency translation, the Italian operations reported 2.6% higher sales over 1992. Operating profit of this group decreased 29.8% to $35.0 million due to lower sales volume, higher costs related to new product introductions, a plant start-up and a plant rearrangement, less favorable product mix and negative foreign currency translation effects.

Precision Instruments group sales in 1993 were $275.4 million, a decrease of $21.7 million or 7.3% from 1992. The sales decline reflects the continuing weakness in demand for aircraft instruments and engine sensors from commercial airlines and poor conditions in the aerospace industry and in process control markets. The sales decline was partially offset by increased sales of truck instruments, flight reference systems and sales by a new business acquired in the first quarter of 1993. Operating profit of this group before restructuring and other unusual charges was $17.1 million in 1993 compared to $28.0 million in 1992, a $10.9 million or 39.0% decline. This decrease was due to the sales decline, production inefficiencies and changes in product mix. This group's profits were further reduced by restructuring and unusual operating charges of $47.8 million in 1993, of which $39.8 million was recorded in the fourth quarter, and resizing charges of $8 million which were recorded in the first nine months of the year. These charges were primarily for work force reductions planned or which occurred in 1993 (including certain pension related costs), asset write-downs, product line relocations of certain gauge manufacturing operations, and consolidation of the Company's aerospace businesses. Most of these actions were necessary due to the unwillingness of the union at the Company's Sellersville facility to agree to wage and work rule concessions requested by the Company necessary to make that operation competitive. After restructuring and other unusual operating charges, this group reported an operating loss of $30.6 million for 1993.

Industrial Materials group sales in 1993 were $176.1 million, an increase of $13.1 million or 8.1% from 1992 largely due to increased sales of liquid filtration products, compounded plastics and specialty metal products. Group operating profit before restructuring and other unusual charges was $22.2

million, a slight improvement over operating profit of $22.1 million reported for 1992. An increase

in profits by the Specialty Metal Products division was substantially offset by lower profits from the other businesses in this group due to operating inefficiencies and changes in product mix at certain divisions. After fourth quarter 1993 restructuring and other unusual charges of $3.9 million, primarily for certain asset write-downs, the group operating profit was $18.3 million for 1993. In February 1994, a warehouse attached to a plant in this group collapsed under the weight of heavy snow. The Company expects the plant to return to full operation by mid-March 1994; the damages and related losses are covered by insurance.

YEAR ENDED DECEMBER 31, 1992 COMPARED TO YEAR ENDED DECEMBER 31, 1991

Results of Operations

For 1992, Ametek achieved record sales of $769.6 million, exceeding sales in 1991 by $54.5 million or 7.6%. The increase occurred primarily in the Electro-mechanical Group and was the result of increased worldwide demand for electric motors, the introduction of new products and increased market penetration. Sales were also enhanced by the acquisition of an electric motor business in the first quarter of 1992. A sales increase by the Industrial Materials Group was more than offset by lower sales by the Precision Instruments Group, which suffered from a sharp decline in demand for aircraft instruments and engine sensors in the commercial and military markets. Sales by all business segments to foreign markets totalled $233.7 million in 1992 compared to $211.8 million in 1991, an increase of 10.3%. Export sales from the United States totalled $119.3 million in 1992 compared to $111.6 million in 1991, a 6.9% increase.

New orders during 1992 were approximately $735.5 million, an increase of $26.2 million, or 3.7% over 1991. The backlog of orders was approximately $240.9 million at year-end, a 12.4% decrease from the end of 1991, reflecting the lower level of business in the Precision Instruments Group.

Business segment operating profit was $100.1 million in 1992, an increase of $11.5 million or 12.9% over last year's $88.6 million. The improved operating results for 1992 came mainly from the overall higher sales volume in the Electro-mechanical and Industrial Materials Groups and improved performance by the Company's three Italian motor divisions.

Corporate expenses (including unallocated administrative expenses, interest expense and net other income) of $33.3 million in 1992 were $2.9 million lower than last year's $36.2 million, primarily due to lower interest expense resulting from the reduced level of debt.

The effective tax rate for 1992 was 33.5% compared to 1991's rate of 27.5%. Both periods benefitted from favorable income tax adjustments. The 1992 rate reflects a net favorable settlement of certain tax years for United States operations, while the 1991 rate included the recognition of tax benefits from combining certain foreign operations.

Net income was $44.4 million or $1.01 per share for 1992, compared to earnings of $38.0 million or $.87 per share for 1991.

Business Segment Results

Electro-mechanical Group sales in 1992 were $309.6 million, an increase of $59.8 million or 23.9% from 1991 largely due to improved demand and market penetration for electric motors aided somewhat by the acquisition of a new business in the first quarter of 1992. Group operating profit increased 41.1% to $49.9 million due to the higher sales volume, a more favorable product mix, and improved operating performance by the Italian motor divisions.

In the Precision Instruments Group, sales were $297.0 million for 1992, a decrease of $12.9 million or 4.2% from 1991. The sales decline reflects continuing weak demand for aircraft and aerospace instruments, sensors and spare parts for commercial airlines and the military, caused by the deepening

recession in this market. The overall sales decline was partially offset by increased sales of truck instruments. The group's operating profit of $28.0 million fell 14.8% from $32.9 million in 1991, largely because of the steep sales decline in some of the group's more profitable products.

The Industrial Materials Group's 1992 sales increased $7.5 million or 4.8% to $163.0 million, due to increased sales of water filtration products and metal powders. Operating profit of the group totalled $22.1 million in 1992, compared to $20.3 million in 1991, an 8.7% increase, reflecting the increase in the group's sales volume and lower operating expenses in the Company's plastics compounding and foam packaging businesses.

LIQUIDITY AND CAPITAL RESOURCES

Liquidity

Working capital at December 31, 1993 amounted to $134.2 million, a decrease of $56.0 million from December 31, 1992, caused largely by the provisions for resizing, restructuring and other unusual items. The ratio of current assets to current liabilities at December 31, 1993 was 1.80 to 1, compared to 2.38 to 1 at December 31, 1992.

Cash generated by the Company's operating activities totalled $65.3 million in 1993 compared to $78.6 million in 1992. The decrease reflects the lower level of earnings, after adding back $50.9 million of restructuring and other unusual charges not requiring the use of cash in 1993. Cash flows from operating activities, less cash used for investing and financing activities of $83.9 million, resulted in a decrease in cash and cash equivalents of $18.7 million since the beginning of 1993. Cash used in 1993 included $38.3 million for the purchase of property, plant and equipment, $25.1 million for the payment of dividends, $19.4 million for the repayment of long-term debt, $16.6 million for the purchase of a business and investments and $8.9 million for the purchase of 683,400 shares of the Company's Common Stock in the second quarter of 1993. Cash and cash equivalents and short-term marketable securities totalled $84.7 million at December 31, 1993, a decrease of $31.0 million from December 31, 1992.

Of the $54.9 million of resizing, restructuring and other unusual charges recorded in 1993, certain items require cash expenditures which are expected to be funded by normal operations. Approximately $4.0 million was expended in 1993, and the Company anticipates that approximately $25.3 million will be expended over the next two years. After all the restructuring actions are in place, the Company expects to realize continuing benefits resulting from reduced labor costs, improved productivity and other lower operating costs which, the Company believes, should more than offset these cash expenditures over time. Certain asset write-downs, provisions for pension curtailments and other unusual items totaling $25.6 million will not require the use of cash, or incremental cash, during the next five years.

The proceeds of the Notes offered hereby, together with borrowings under the Credit Agreement and available cash, will be used (a) to retire (i) $106.8 million aggregate principal amount of the 8.95% Notes, (ii) $75.0 million aggregate principal amount of the 9.35% Notes and (iii) $3.6 million aggregate principal amount of the 8.05% Notes, (b) to repurchase outstanding shares of the Company's Common Stock for an aggregate purchase price of up to $150 million and (c) to pay fees and expenses related to the sale of the Notes offered hereby and the Credit Agreement. See "Use of Proceeds."

The Company's future interest costs are expected to increase because of the higher outstanding total debt. The Company's quarterly Common Stock dividend was recently reduced from $.17 per share to $.06 per share. This reduction, without giving effect to the intended repurchase of Common Stock, will result in an annual saving of approximately $19.4 million. This saving should more than offset the higher interest cost.

The Company believes that the amounts to be available under the new Credit Agreement and the proceeds of the sale of the Notes offered hereby, together with cash on hand and cash flows generated

from operations, will provide sufficient capital resources to service all debt obligations, fund the share repurchase program and finance working capital, the new lower dividend and capital expenditure requirements in the foreseeable future. See "Selected Financial Data--Supplemental Pro Forma Data" and "Risk Factors--Increased Leverage."

Capital Expenditures

Capital expenditures (excluding acquisitions) were $38.3 million during 1993. The majority of the expenditures were for additional manufacturing equipment and an additional production facility in the Electro-mechanical Group to provide expanded production capacity. The 1993 capital spending level is approximately 60% higher than 1992. The Company expects to continue its high level of capital spending in 1994, with special emphasis on the Electro-mechanical Group. The projected 1994 capital expenditures are approximately $37 million, of which $10 million has been rescheduled from 1993.

Acquisitions

In 1992, the Company acquired a producer of small electric motors and injection-molded components, a United Kingdom industrial filtration business, an instrument manufacturer located in Germany, and two small product lines for a total of $11.7 million in cash. The motor company acquisition was a factor in the Company's recent decision to form the Technical Motor Division in the Electro-mechanical Group. On March 31, 1993, the Company purchased certain assets of Revere Aerospace Inc. ("Revere"), a United States subsidiary of Dobson Park Industries PLC, for approximately $7 million in cash. Revere is a producer of thermocouple and fiber optic cable assemblies. These acquisitions have complemented the Company's existing businesses and broadened its global marketing efforts.

ENVIRONMENTAL MATTERS

The Company is subject to environmental laws and regulations, as well as stringent clean-up requirements, and has also been named a potentially responsible party at several sites which are the subject of government-mandated clean-ups. Provisions for environmental clean-up at these sites and other sites were approximately $4.9 million in 1993 ($1.4 million in 1992). While it is not possible to accurately quantify the potential financial impact of actions regarding environmental matters, the Company believes that, based upon past experience and current evaluations, the outcome of these actions is not likely to have a material adverse effect on future results of operations of the Company.

ACCOUNTING STANDARDS RECENTLY ADOPTED

The Company adopted two Financial Accounting Standards Board ("FASB") Statements in 1991 and 1992. In 1991, the Company adopted the provisions of Statement No. 106 relating to employers' accounting for employee post-retirement benefits other than pensions. The Company only provides limited post-retirement benefits, other than pensions, to certain retirees and a small number of employees. In 1992, the Company adopted the provisions of Statement No. 109 relating to accounting for income taxes. Prior to 1992, the Company followed the provisions of Statement No. 96, Accounting for Income Taxes, which contained substantially the same requirements as Statement No. 109, but which was modified for balance sheet classification of deferred taxes, among other things. The effect of adopting these accounting standards was not material to the Company's consolidated financial statements.

In November 1992 the FASB issued Statement No. 112 relating to accounting for post-employment benefits. In March 1993, Statement No. 115 relating to accounting for marketable securities was issued. The Company has adopted both of these Statements effective as of January 1, 1994. Adoption of these accounting standards did not have a material effect on the Company's results of operations.

BUSINESS

Ametek is an international manufacturer of high quality, engineered products for industrial and commercial markets. The Company has a significant market share for many of its products and a leading market share in electric motors for vacuum cleaners and other floor care products, the Company's most

significant business. Many of the Company's products have a technological component and are engineered to customer specifications. The Company employs approximately 6,000 individuals and operates 32 manufacturing facilities located in 12 states, as well as in Italy, Denmark, England and Mexico.

The Company's products are produced and sold worldwide through the Company's Electro-mechanical, Precision Instruments and Industrial Materials Groups. The principal products of each of the Groups include:

- Electro-mechanical Group--fractional horsepower electric motors and blowers for vacuum cleaners and other floor care products, as well as for furnaces, lawn tools, computer equipment, photocopiers and other applications.

- Precision Instruments Group--instruments for commercial and military aircraft and engines, devices for measuring, monitoring and controlling industrial manufacturing processes, pressure gauges, and instrumentation for heavy trucks.

- Industrial Materials Group--specialty metal products for electronics, general industry and consumer goods, water filtration systems, temperature and corrosion resistant materials, plastic compounds for automotive and appliance markets and protective foam wrap for furniture and fruit.

The Company's business has grown over the years through a combination of acquisitions and internal growth into a diversified manufacturing company serving a wide range of markets. The Company has concentrated on identifying, developing and marketing high quality, technology-based products which hold, or have the potential for gaining, a significant share of one or more niche markets.

In November 1993, the Company completed a broad strategic review and announced a plan intended to enhance shareholder value over the long term. From an operational point of view, the Company will seek to increase the profitability of its existing businesses through (i) growth and reinvestment, particularly in its electro-mechanical, specialty metal and water filtration operations, (ii) continued emphasis on controlling costs and (iii) an increased focus on foreign sales, especially in the Pacific Rim and Europe, through a combination of direct selling efforts and joint ventures. The Company also intends to pursue strategic acquisitions on a selective basis. In addition, the Company intends to continue its policy of reviewing, from time to time, possible divestitures of existing businesses.

From a financial point of view, the Company's plan, which takes advantage of the Company's historically strong cash flow, involves repurchasing outstanding shares of its Common Stock for an aggregate purchase price of up to $150 million and refinancing existing debt with the proceeds from the sale of the Notes offered hereby, borrowings under the Credit Agreement and available cash. The resulting increased leverage will reduce the Company's financial and operating flexibility. Accordingly, the plan also calls for a reduction in the quarterly per share dividend rate on the Company's Common Stock from $.17 to $.06 and a decrease in the Company's leverage over time. See "Risk Factors--Increased Leverage" and "--Ranking."

The Company also recorded certain after tax charges against earnings of $28.6 million during the fourth quarter of 1993, resulting in aggregate charges of $33.5 million for the year. A substantial portion of these charges relates to the restructuring of several businesses and reflects asset write-downs and other unusual charges against income. The restructuring charges primarily result from actions taken or planned due to the unwillingness of the union at a Precision Instruments facility in Sellersville,

Pennsylvania to agree on wage and work rule concessions requested by the Company necessary to make such operation competitive. These actions include relocating, outsourcing and downsizing various manufacturing functions at this facility. See "Risk Factors--Business Restructuring" and "--Labor Relations" and "Management's Discussion and Analysis of Financial Condition and Results of Operations." The Company will also record an extraordinary charge of approximately $13 million (after tax) in 1994 for the early retirement of the Institutional Notes after completion of the sale of the Notes offered hereby

and the application of the proceeds thereof.

The Company classifies its operations into three principal business segments: Electro-mechanical, Precision Instruments, and Industrial Materials. The following table sets forth summary sales and income information for the Company's business segments for the periods indicated:

	YEARS ENDED DECEMBER 31,		
	1991	1992	1993
	(DOLLARS IN THOUSANDS)		
NET SALES (1):			
Electro-mechanical	$249,763	$309,556	$280,732
Precision Instruments	309,901	297,025	275,351
Industrial Materials	155,435	162,969	176,112
Total net sales	$715,099	$769,550	$732,195
INCOME (LOSS):			
Electro-mechanical	$ 35,363	$ 49,912	$ 35,018
Precision Instruments	32,914	28,045	(30,643)(2)
Industrial Materials	20,332	22,096	18,284 (3)
Total segment operating profit (4)	88,609	100,053	22,659
Corporate and other expenses (5)	(36,231)	(33,334)	(33,856)
Income (loss) before taxes	$ 52,378	$ 66,719	$(11,197)

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(1) After elimination of intersegment sales, which are not significant in amount.

(2) Reflects charges of $47.8 million primarily for resizing and restructuring costs associated with planned work force reductions and those which occurred in 1993, asset write-downs, relocation of product lines and the overall consolidation of the company's aerospace operation and other unusual charges.

(3) Reflects charge of $3.9 million primarily for asset write-downs.

(4) Segment operating profit represents sales less all direct costs and expenses (including certain administrative and other expenses) applicable to each segment, but does not include interest expense.

(5) Includes unallocated administrative expenses, interest expense and net other income and, in 1993, $2.8 million of restructuring and other unusual charges.

ELECTRO-MECHANICAL GROUP

Ametek's Electro-mechanical Group ("EMG") is the world's leading supplier of fractional horsepower electric motors and blowers for vacuum cleaners and other floor care products. EMG also manufactures electric motors and blowers for furnaces, lawn tools, photocopiers, computer equipment and other applications. EMG accounted for $280.7 million of the Company's net sales and $35.0 million of the Company's segment operating profit for 1993.

Through its six plants in the United States, three in Italy and one in Mexico, EMG produced approximately 20 million motors in 1992 and approximately 18 million motors in 1993. Each of these facilities is equipped with efficient state-of-the-art production lines designed to maximize manufacturing flexibility. Because of its high production volume, flexible manufacturing capability and technological know-how, EMG offers its customers cost competitive and custom designed products on a timely basis.

Floor Care Products

EMG participates in the production of motors and blowers for the full range of floor care products from the hand held, canister, upright and central vacuums for household use to the more sophisticated vacuum products for commercial and industrial applications.

EMG's sales have expanded in recent years due to strong sales by vacuum cleaner manufacturers resulting primarily from the proliferation of specialized vacuum products, although sales for 1993 declined because of reduced domestic and European demand for electric motor products and the negative effect of foreign currency translation. New product development and short production lead times are critical to vacuum cleaner manufacturers who face shifting consumer preferences and intense retail competition. Many of EMG's long-standing customer relationships have resulted from EMG's ability to address these concerns. With EMG's flexible manufacturing capacity and established technical expertise, it is able to produce a wide variety of high quality motor products in a short time frame. EMG's involvement with key customers begins in the early stages of their product's design. This allows EMG's technically sophisticated and highly trained sales force to work with its customers in developing product specifications for customized applications in the floor care market.

In recent years, EMG has also expanded its sales in the floor care industry by marketing its motors to vertically integrated vacuum cleaner manufacturers who elect to curtail or discontinue their own motor production and instead use EMG's motors. By using EMG's motors, vacuum cleaner manufacturers are able to reduce the substantial capital expenditures they would otherwise have to make to maintain their own motor production, with frequent design changes, at acceptable levels.

EMG's floor care product development activities have recently focused on improving motor-blower cost-performance through advances in power, efficiency and quieter operation. EMG has recently developed a 1200 watt brushless motor blower for high-end floor care applications in commercial vacuum cleaners and central vacuum systems, as well as a new low cost motor designed for export markets with price-sensitive, high volume vacuum applications.

EMG currently maintains a significant position in the European market for floor care products based on exports from the United States and production from its Italian operations. Two of EMG's plants in Italy are dedicated to producing electric motors for vacuum cleaner manufacturers throughout Western Europe and, to a more limited extent, Eastern Europe. These motors are similar to those produced in the United States.

EMG believes that its technological and manufacturing know-how, its expertise in product development and its specialized and flexible production capacity provide it with a competitive advantage in the low cost design and manufacture of motors for vacuum cleaners and other air moving devices.

EMG's business development will seek to capitalize on this competitive advantage through three strategies. First, the Company will continue to participate in the overall growth of the floor care market by responding to the demands created by product proliferation and differentiation. Second, EMG intends to pursue opportunities to increase its sales to additional vertically integrated manufacturers, domestic or foreign, who continue to manufacture some or all of their own motors. EMG believes that it can offer cost and production advantages to these potential customers similar to those it has provided its existing customers. Third, EMG intends to expand its foreign sales volume through direct exports from the United States and joint ventures with local parties, with particular emphasis on the Pacific Rim and Eastern Europe. EMG is currently pursuing joint venture opportunities in each of these regions. In addition, EMG is utilizing its operating base in Italy to pursue additional market opportunities in Eastern Europe and Russia.

Consistent with its strategy for long term growth, EMG is in the process of increasing its unit production capacity for floor care products by approximately 50%, primarily to meet anticipated growth in customer demand for smaller size motors over the next several years. This is being accomplished primarily by adding new production lines at the existing Graham, North Carolina facility.

Technical Motor Products

In order to make greater use of its technological expertise developed in the floor care products area, EMG recently formed its Technical Motor Division to consolidate and expand its production of motors and blowers used in certain non-floor care applications, particularly in the market for brushless motor technology where EMG is seeking to establish a significant position.

EMG's technical motor products include motors for furnaces, lawn tools, photocopiers, computer equipment, other business machines, medical equipment and evaporative cooling equipment. Its brushless motors, which are free of static charges, are becoming increasingly popular in medical and other applications where flammability is a concern. Recent product developments in this area include the use of EMG's brushless motors in systems designed to assist patients with sleep-breathing disorders, systems which help bedridden patients avoid bedsores and systems to recover gasoline fumes at automotive refueling stations.

In addition, EMG will begin producing induction motors, which were previously purchased by EMG, for use in conjunction with its blower products. The ability to produce its own induction motors offers EMG new opportunities in the high efficiency furnace, water heating and induction motor pump markets.

EMG's strategy in its technical motor products is to build a strong position in the global market, especially in Europe where its heating industry customer base is expanding. In 1993, EMG dedicated one of its Italian plants to the manufacture of technical motor products. Through the Company's Singapore sales subsidiary and its Shanghai office, EMG is seeking to build a presence in the Pacific Rim.

Consistent with its strategy for long term growth, EMG has recently increased its unit production capacity for technical motor products by approximately 25% to meet anticipated growth in customer demand for the next several years by commencing production at its new Rock Creek, North Carolina plant.

Customers

Although EMG is not dependent on any single customer such that its loss would have a material adverse effect on its operations, approximately 26.4% of EMG's sales for 1993 were made to its five largest customers.

PRECISION INSTRUMENTS GROUP

The Precision Instruments Group ("PI") serves a diverse group of markets, the largest of which are the aerospace, pressure gauge, process and refining and heavy-duty truck markets. In many cases, PI has the number one or two position in the niche markets it serves. PI produces cockpit instruments, process monitoring and display systems, process control gas and liquid analyzers, moisture and emissions monitoring systems, force and speed measuring instruments, air and noise monitors, pressure and temperature calibrators, pressure gauges and automotive products. PI accounted for $275.4 million of the Company's net sales and reported a $30.6 million operating loss for 1993, which included charges of $47.8 million for resizing, restructuring and other unusual items.

Aerospace Products

PI designs and manufactures cockpit instruments/displays, engine sensors and monitoring systems, fuel/liquid quantity measurement devices and electrical/thermocouple cables for aircraft and aircraft engines. These products record, process and display information for use by flight and ground crews. PI serves all segments of the commercial aerospace industry, including business and commuter aircraft and the commercial airlines, as well as the defense industry. PI's products are also marketed as spares. PI's products are designed to customer specifications and must be certified as meeting stringent operational and reliability requirements.

PI's strategy in aerospace products is to operate in niche categories where it has a technological or cost advantage. PI believes that its extensive

experience and technological expertise in the aerospace field, together with its long-standing relationships with several leading international manufacturers of commercial aircraft, provide it with a competitive advantage. PI was recently selected by Boeing to supply an engine vibration monitoring system for Boeing's new 777 model. Variations of this product will be marketed to other aircraft manufacturers. In addition, PI's strategic effort to expand its product line has recently yielded new orders for an advanced aircraft engine sensor, an advanced cockpit display system featuring active matrix liquid crystal display and a business jet fuel quantity system. In early 1993, PI acquired certain assets of Revere Aerospace Inc., which added a high-performance electrical and optical interconnecting cable business as a complement to its existing product lines.

As a result of the overall weakness in the aerospace industry, PI sales to the military and commercial OEM aircraft markets declined significantly in 1992 and 1993. In addition, PI's sales of aerospace products for use as spares were reduced significantly as airlines lowered spare parts inventories and utilized excess equipment from surplus aircraft. In response to these conditions, PI embarked on an aggressive program to reduce costs through significant consolidation and downsizing. See "Management's Discussion and Analysis of Financial Condition and Results of Operations--Recent Developments." PI also recently restructured and consolidated its management team for all aerospace activities. These actions are designed to enhance PI's long term operating efficiency and profit potential. It is PI's intention to continue to manage its cost structure aggressively and to selectively expand and develop its product lines, with a particular emphasis on the development of advanced technology instruments.

PI also intends to expand its marketing presence and distribution channels for the aerospace and industrial process control markets in Europe and the Pacific Rim in 1994.

Industrial Process Control and Pressure Gauge Products

PI serves the process industry by designing and manufacturing process control products, including gas and liquid analyzers, emission monitors, process annunciators and control room graphic displays. PI serves numerous segments of the process industry, including refining and petrochemical processing and power and steel plants. PI also produces a wide variety of pressure gauge products for numerous industrial and commercial uses. PI has a leading position in many of the niche areas where it competes in the domestic process control market and in the North American pressure gauge market.

In recent years, domestic market conditions have been, and continue to be, soft due primarily to adverse conditions in the refining and petrochemical industry. These conditions have been affected by environmental regulations which have severely reduced new refinery and petrochemical plant construction and refinery and petrochemical operating rates in the United States.

PI's business strategy is to concentrate on new markets where it has a technological or cost advantage. PI develops or customizes products around core technologies to meet customer

requirements. For example, PI's oxygen and combustion analyzers have a leading market position and are designed to meet customer specific applications. PI has also recently succeeded in marketing one of its aerospace based products, thermocouples, for use with land gas turbines.

Pressure gauges are produced by PI's U.S. Gauge Division, a leader in the North American pressure gauge market. Pressure gauges are used in a wide variety of industrial and manufacturing processes. The general pressure gauge market has been adversely affected by poor domestic economic conditions and competition from low cost offshore producers. PI has responded to these market conditions by reducing costs and refocusing its domestic manufacturing to concentrate on higher priced pressure gauge applications. In addition, through a distributorship relationship with a Taiwanese company, PI is currently distributing in the United States low cost pressure gauges manufactured in the People's Republic of China, a product segment in which PI is not currently competitive.

Automotive Products

PI is the leading domestic producer and supplier of electronic instrument panels and instruments to the heavy truck market and is currently expanding into the agricultural and construction vehicle markets. In recent years, the heavy truck market has been strong. Domestic truck manufacturers have faced a growing demand for more fuel efficient trucks that satisfy applicable air pollution guidelines. PI has participated in this market by working closely with several manufacturers to develop solid state instruments to monitor engine efficiency and emissions. PI's strategy with this product line is to expand into international markets with products similar to those currently produced for United States manufacturers.

Customers

Although the Precision Instruments Group is not dependent on any single customer such that its loss would have a material adverse effect on its operations, approximately 28.9% of its 1993 sales were made to its five largest customers.

INDUSTRIAL MATERIALS GROUP

The Industrial Materials Group ("IMG") manufactures the following principal products: water filtration products, high-purity engineered metals, high-temperature fabrics, compounded plastics and plastic packaging materials. Each of IMG's five businesses is technology-based, stressing mechanical, metallurgical or plastic processing skills. IMG accounted for $176.1 million of the Company's net sales and $18.3 million of the Company's segment operating profit for 1993. IMG consists of five divisions: Plymouth Products, Specialty Metal Products, Haveg, Microfoam and Westchester Plastics.

IMG's strategic focus is to target niche markets by differentiating its products on the basis of quality, price and/or services and to pursue new product development by exploiting proprietary technologies and specialized manufacturing processes.

The Plymouth Products Division and a United Kingdom subsidiary produce water filtration products for residential, commercial and industrial uses in the United States and 80 other countries. Plymouth Products sells its products in both the retail and wholesale markets. With its acquisition in late 1992 of the Kleen Plus (R) retail water filter line, Plymouth Products believes it now has the broadest cartridge filtration product line in the world, offering complete water filtration systems, 25 special-purpose filter housings and 60 different replacement cartridges. Plymouth's filter cartridges and housings are used in such diverse applications as water filtration and food and beverage, cosmetics

and chemical production. Plymouth's point-of-use drinking water filters are used for the removal of objectionable taste and odor, hazardous chemicals and heavy metals. In addition, Plymouth Products produces a faucet-mounted filter, as well as filters, housings and cartridges for use by plumbing professionals for residential and commercial customers. Because of the widespread concern with the quality of municipal water supplies, Plymouth Products believes it has important growth opportunities in the commercial and industrial markets for water filtration products. The Company has identified the water filtration market as a key opportunity for expansion and, accordingly, has commenced a $4 million plant expansion. This capacity increase is the fifth such expansion in the last 13 years.

The Specialty Metal Products Division uses its powder metallurgy to produce strip and wire and uses its cladding technologies to make a variety of products with multiple metallurgical properties. Specialty Metal Products sells its products for use in the manufacture of appliances, electronic connectors, rechargeable batteries and TV cathode ray tubes. Its clad metals are used in gourmet cookware and chemical and pressure vessels, and its metal matrix composites are used for thermal management in high power electronic circuits.

The Haveg Division manufactures products for high temperature applications and highly corrosive environments. Haveg's products are made of silicas, phenolic resins and Teflon (R) (a registered trademark of the DuPont Company). Haveg's silica yarn, which maintains strength and flexibility at high temperatures, is used for protective welding curtains, as a textile replacement for asbestos and as a laminate for printed circuit boards. Two

other Haveg products are Flexsil (R), made from Haveg's woven Siltemp (R) fabric and used in foundries to filter molten metal as it is poured into casting molds, and Teflon (R) heat exchangers, used in a number of different industrial applications because of its chemically inert construction and high purity. Additionally, Haveg produces storage tanks and pipes, made of phenolic resins, which are able to withstand highly corrosive environments.

The Microfoam Division is the world's only producer of a very low density polypropylene foam used primarily for packaging items, such as furniture and agricultural products, that require cushioning, surface protection and insulation. CouchPouch (TM), one of Microfoam's products made from the division's MicroTuff (TM) composite material is stitched into various size bags large enough to protect furniture. Because they are made of pure polypropylene, the products are suitable for reuse and recycling.

The Westchester Plastics Division is engaged in the toll processing and formulation of plastics compounds, including developing processing techniques that enhance such properties as fire retardance and adhesion. In addition, Westchester Plastics has state-of-the-art twin-screw extruder lines used to produce custom thermoplastics for a variety of industries.

Customers

Although IMG is not dependent on any single customer such that its loss would have a material adverse effect on its operations, approximately 13.1% of IMG's sales for 1993 were made to its five largest customers.

FOREIGN OPERATIONS

In response to increasing globalization of the world economy and perceived opportunities for growth, the Company has expanded over the past several years its foreign sales and operations. International sales, as a percentage of total consolidated sales, amounted to 27.7% in 1993. This expansion has resulted from a combination of increasing export sales of products manufactured in the United States and overseas acquisitions and strategic alliances.

Ametek's strategy for growth in global markets is driven by requirements for global cost-competitiveness and especially by economic growth in the Pacific Rim. Ametek Singapore Private, Ltd. was established as a regional headquarters to enable the Company to locate more favorable supply arrangements and to expand its product sales throughout the Pacific Rim.

International operations of the Company are subject to certain risks which are inherent in conducting business outside the United States, such as fluctuation in currency exchange rates and controls, restrictions on the movement of funds, import and export controls, and other economic, political and regulatory policies of the countries in which business is conducted. See "Risk Factors--Risks Associated with International Operations."

The following table sets forth summary sales information by geographic area for the periods indicated:

	YEARS ENDED DECEMBER 31,					
	1991		1992		1993	
	$	%	$	%	$	%
	(DOLLARS IN THOUSANDS)					
SALES						
Europe	$157,990	22%	$178,243	23%	$147,209	20%
Other foreign	53,854	8	55,496	7	55,730	8
Total international (1)	211,844	30	233,739	30	202,939	28
Domestic	503,255	70	535,811	70	529,256	72
Total Consolidated	$715,099	100%	$769,550	100%	$732,195	100%

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(1) Total international consists of:

Foreign operations.....	$100,209	14%	$114,436	15%	$ 97,260	13%
Exports.....	111,635	16	119,303	15	105,679	15
Total international....	$211,844	30%	$233,739	30%	$202,939	28%

MARKETING

Generally, the Company's marketing efforts are organized and carried out at the divisional level. However, a few functions are centralized at the corporate level for reasons of cost and efficiency.

Given the basic similarity of its various products, its significant market share worldwide and the technical nature of its products, EMG conducts most of its domestic and international marketing activities through its highly trained and technically sophisticated direct sales force. EMG makes limited use of sales agents in those foreign countries where its sales activity is relatively low.

Because of their relatively diverse product lines, both PI and IMG make significant use of distributors and sales agents in the marketing efforts of most of their divisions. With its specialized customer base of aircraft manufacturers and airlines, PI's aerospace division relies primarily on its direct selling efforts.

COMPETITION

Generally, most markets in which the Company operates are highly competitive. The principal elements of competition for the products manufactured in each of the Company's business segments are price, product features, distribution, quality and service.

The primary competition in the United States in the floor care market is from a few competitors, each of which has a smaller market share but is part of a company which is larger and has greater

resources than Ametek. Additional competition could come from vertically integrated manufacturers of floor care products which produce their own motors and blowers. In Europe, competition is from a small group of very large competitors and numerous small competitors.

In the markets served by the Precision Instruments Group, the Company believes that it is one of the world's largest pressure gauge manufacturers and a leading producer of annunciator systems. The Company also ranks among the top ten producers of certain measuring and control instruments in the United States. It is one of the leading instrument and sensor suppliers, with a broad product offering in both the military and commercial aviation industries. As a result of the continuing decline in demand for aircraft instruments and engine sensors due to the consolidation and deregulation of the airline industry and reduced military spending, competition is strong and is expected to intensify with respect to certain of the products in the aerospace markets. In the pressure gauge and automotive markets served by PI, there are a limited number of companies competing on price and technology. With respect to process measurement and control niche markets, there are numerous competitors in each niche competing, for the most part, on the basis of product quality and innovation.

Many of the products sold by the Industrial Materials Group are made by few competitors and competition is mainly from producers of substitute materials. The Company's Westchester Plastics division is one of the nation's largest independent plastics compounders. In this market, the Company's competition is from other independent toll compounders and those customers which have similar compounding capabilities. Plymouth Products is one of the major suppliers of household water filtration systems, a market in which it has numerous competitors. In the industrial and commercial filtration markets which Plymouth Products serves, it does not have a major market share and faces competition from numerous sources.

BACKLOG AND SEASONAL VARIATIONS OF BUSINESS

The Company's approximate backlog of unfilled orders at the dates specified by business segment was as follows:

	DECEMBER 31,		
	1991	1992	1993
	(DOLLARS IN MILLIONS)		
Electro-mechanical	$ 79.8	$ 80.8	$ 66.0
Precision Instruments	170.8	137.3	121.8
Industrial Materials	24.4	22.8	24.8
Total	$275.0	$240.9	$212.6

Of the total backlog of unfilled orders at December 31, 1993, approximately 88% is expected to be shipped by December 31, 1994.

The Company believes that neither its business as a whole nor any of its business segments is subject to significant seasonal variations, although certain individual operations experience some seasonal variability.

RESEARCH AND DEVELOPMENT

Notwithstanding the recent economic recession, the Company continues to be committed to appropriate research and development activities designed to identify and develop potential new and improved products. Company-funded research and development costs were $15.1 million for 1993. Research activities are conducted by the various businesses of the Company in the areas in which they operate.

ENVIRONMENTAL COMPLIANCE

The Company is subject to environmental laws and regulations. The Company has been named as a potentially responsible party at several sites which are the subject of government-mandated clean-ups. Provisions for environmental clean-up at these sites and other sites were approximately $1.4 million in 1992 and approximately $4.9 million in 1993. Additional charges for these purposes may be required in the future. It is not possible to accurately quantify the potential financial impact of future environmental matters, laws and regulations and there can be no assurance that such matters will not have a material adverse effect on the Company. However, based upon past experience and current evaluations, the Company believes that the costs of environmental compliance are not likely to have a material adverse effect on results of operations of the Company. See "Risk Factors--Environmental Matters" and "Management's Discussion and Analysis of Financial Condition and Results of Operations."

PATENTS, LICENSES AND TRADEMARKS

The Company owns numerous unexpired United States patents, United States design patents and foreign patents, including counterparts of its more important United States patents, in the major industrial countries of the world. The Company is a licensor or licensee under patent agreements of various types and its products are marketed under various registered United States and foreign trademarks and trade names. However, the Company does not consider any single patent or trademark, or any group thereof, essential to its business as a whole, or to any of its business segments. The annual royalties received or paid under license agreements are not significant to any single business segment or to the Company's overall operations.

EMPLOYEES

At December 31, 1993, the Company employed approximately 6,000 individuals, of whom approximately 2,400 are covered by collective bargaining agreements.

Ametek believes its relations with employees and their unions are generally good. Recently, Ametek requested the union at its U.S. Gauge operation in Sellersville, Pennsylvania to reopen existing labor agreements for the purpose of considering wage concessions and work rule changes. The union has not been willing to accept these changes. Accordingly, the Company has announced its intention to move certain of its operations at Sellersville to another location. See "Risk Factors--Business Restructuring" and "--Labor Relations."

PROPERTIES

The Company has 32 plant facilities in 12 states and five foreign countries. Of these facilities, 26 are owned by the Company and six are leased. The properties owned by the Company consist of approximately 441 acres in total, of which approximately 3,447,000 square feet are under roof. Under lease is a total of approximately 413,000 square feet. The leases expire over a range of years from 1994 to 1999 with renewal options for varying terms contained in most of the leases. The Company also has an idle facility and certain parcels of land available for sale. The Company's executive offices in Paoli, Pennsylvania occupy approximately 32,000 square feet under a lease which will expire in 1997. Additional offices of the Company in New York City occupy approximately 4,000 square feet under a lease which will expire in 1996.

The Company's machinery, plants and offices are in satisfactory operating condition and are adequate for the uses to which they are put. The operating facilities of the Company by business segment are summarized in the following table:

	NUMBER OF FACILITIES		SQUARE FEET UNDER ROOF	
	OWNED	LEASED	OWNED	LEASED
Electro-mechanical.....	9	1	1,143,000	66,000
Precision Instruments....	8	5	856,000	347,000
Industrial Materials.....	9	-	1,448,000	--
Total.....	26	6	3,447,000	413,000

THE CREDIT AGREEMENT

On November 17, 1993, the Company received a commitment letter (the "Commitment") from The Chase Manhattan Bank, N.A. ("Chase") to provide the Company with senior bank financing sufficient to finance, together with available cash, the Company's repayment of the Institutional Notes and repurchases of Common Stock and to provide working capital for general corporate purposes. Subject to the completion of the sale of the Notes offered hereby, the Commitment is expected to be replaced by a definitive $250 million Credit Agreement having the terms summarized below. The Commitment is subject to certain conditions set forth in such letter including, among other things, the negotiation, execution and delivery of satisfactory definitive documentation with respect to the Credit Agreement. Because the terms, conditions and covenants of the Credit Agreement are subject to the negotiation, execution and delivery of definitive documentation, certain of the actual terms, conditions and covenants thereof may be more or less restrictive or otherwise differ from those described below. Chase has reserved the right to syndicate all or a part of its Commitment to one or more other lenders (together with Chase, the "Banks"). Chase has agreed to act as the lead agent for the Banks under the Credit Agreement (in such capacity, the "Agent").

The Credit Agreement will provide for up to $125 million of availability under a Term Loan Facility (the "Term Loan Facility") and up to $125 million of availability under a Revolving Credit Facility (the "Revolving Credit Facility"). Although the final terms of the Credit Agreement are still under negotiation, set forth below is a summary of the material terms of the proposed Credit Agreement based on the terms of the Commitment and the present status of such negotiations, which summary is subject to and qualified by

reference to all of the provisions of the Commitment. It is contemplated that on the effective date of the Registration Statement of which this Prospectus forms a part, the Company will enter into the definitive Credit Agreement with Chase, for itself and as Agent for the Banks.

Borrowings under the Revolving Credit Facility will not exceed a borrowing base equal to 85% of Eligible Receivables and 50% of FIFO-calculated Eligible Inventory, as such terms are to be defined in the Credit Agreement. Up to $30 million of the Revolving Credit Facility will be available for the issuance of Letters of Credit to support obligations of the Company. Each of the Company's domestic subsidiaries will guarantee the obligations under the Credit Agreement.

The loans under the Term Loan Facility (the "Term Loans") may be incurred in not more than three drawings on the date of the initial borrowing under the Credit Agreement (the "Closing Date") and within 90 days thereafter. The Term Loans will mature seven years from the Closing Date and be subject to equal semi-annual amortization payments, commencing six months after the Closing Date. Amounts repaid on the Term Loans may not be reborrowed.

The loans under the Revolving Credit Facility (the "Revolving Loans") may be borrowed, repaid and reborrowed at any time during the period of five years from the Closing Date (the "Revolving Credit Final Maturity"), subject to satisfaction of certain conditions on the date of any such borrowing, and must be repaid in full at, and all Letters of Credit will be terminated prior to, the Revolving Credit Final Maturity.

The Term Loans and the Revolving Loans will bear interest either (i) at the Base Rate, as defined below, plus the applicable Interest Margin, as defined below, payable quarterly in arrears (the "Base Rate Option") or (ii) subject to certain limitations, at an annual rate equal to the London Interbank Offered Rate ("LIBOR") as determined by the Agent for the corresponding deposits of United States Dollars plus the applicable Interest Margin, payable at the end of each Interest Period, as defined below, or quarterly, whichever is earlier (the "LIBOR Option"). In either case, interest will be calculated on the basis of the actual number of days elapsed in a year of 360 days. Interest under the LIBOR Option will be determined for periods ("Interest Periods") of one, two, three or six months, as selected by the Company. The Base Rate is defined as the higher of the Federal Funds Effective Rate, as

published by the Federal Reserve Bank of New York, plus 1/2 of 1%, or the prime commercial lending rate of Chase, as announced from time to time. The applicable Interest Margin will be as follows: 1% for a Term Loan at the Base Rate Option and 2% for a Term Loan at the LIBOR Option; and .75% for Revolving Loans at the Base Rate Option and 1.75% for Revolving Loans at the LIBOR Option. Interest Margins will be subject to adjustment after the first anniversary of the Closing Date resulting in possible reductions of up to 1% and increases of up to .25% based on specified changes in the credit ratings assigned to the Company's senior long term unsecured debt by Standard & Poor's and Moody's Investors Service, Inc.

The Credit Agreement will provide for the payment of commitment fees of 3/8 of 1% per annum on the unused amounts of the Term Loan Facility in the 90 day period following the Closing Date and on the unused amounts of the Revolving Credit Facility payable quarterly in arrears (calculated on the basis of actual days elapsed in a year of 360 days), and Letter of Credit fees equal to the per annum rate of the then applicable Interest Margin for LIBOR Option Revolving Loans on aggregate outstanding stated amounts thereof, plus a fee for the bank issuing the Letter of Credit, plus customary issuance and drawing charges.

Borrowings under the Credit Agreement will be mandatorily prepayable in an amount equal to (a) 75% of the net cash proceeds received from the sale or other disposition of all or, subject to certain permitted exceptions to be set forth in the Credit Agreement, any part of the assets of the Company or any subsidiary of the Company, (b) 50% of the net cash proceeds received from the issuance of equity securities (subject to certain exceptions) and 75% of the net cash proceeds from the issuance of certain debt securities, (c) 75% of net property insurance proceeds and of net proceeds of pension plan reversions (to the extent not reinvested as permitted by the Credit Agreement) and (d) for each fiscal year of the Company, an amount equal to 75% of Excess Cash Flow

(as defined in the Credit Agreement). Such mandatory prepayments will, subject to certain permitted exceptions, be applied as follows: (i) first, to repay outstanding Term Loans, pro rata among the remaining installments thereof and (ii) second, to reduce permanently the Banks' commitments under the Revolving Credit Facility (provided that a prepayment of Revolving Loans pursuant to this clause (ii) as a result of Excess Cash Flow will not reduce commitments under the Revolving Credit Facility and provided further that in no event shall any mandatory prepayments reduce the Banks' commitment under the Revolving Credit Facility to less than $100 million) and/or cash collateralized Letters of Credit. The balance of such proceeds and Excess Cash Flow not so required to be applied will be available to the Company for general corporate purposes. In addition, outstanding loans and Letters of Credit under the Credit Agreement will be required to be prepaid (and/or cash collateralized in the case of Letters of Credit) under certain other circumstances set forth in the Credit Agreement.

Borrowings under the Credit Agreement may be voluntarily prepaid, in whole or in part, with prior notice but without premium or penalty, subject to limitations as to the minimum amounts of prepayments, except that prepayments of LIBOR Option loans will only be permitted on the last day of an Interest Period applicable thereto. All voluntary prepayments of Term Loans shall apply pro rata among the remaining principal installments thereof.

Borrowings under the Credit Agreement will be secured by (i) pledges of all capital stock of, and intercompany notes issued by, the Company's subsidiaries and (ii) perfected first priority security interests in all other assets (including capital stock) owned by the Company and the subsidiaries that are guarantors under the Credit Agreement subject to certain de minimis and other exceptions, to be set forth in the Credit Agreement. If the Company obtains credit ratings for its senior long-term unsecured debt assigned by Standard & Poor's of BBB+ or above and by Moody's Investors Service, Inc. of Baa1 or above (a "Prime Rating"), all of the foregoing security will be released, although a covenant restricting liens, among others, will be retained, subject to an exception for liens on certain foreign assets.

The Credit Agreement will contain affirmative and negative covenants customary for transactions of this nature, including, but not limited to: (i) limitations on capital distributions, including dividends, distributions and advances; (ii) limitations on transactions with affiliates; (iii) limitations on the sale or purchase of assets (subject to certain permitted exceptions) and fundamental changes in its business; (iv) restrictions on mergers, acquisitions, investments and other related transactions (subject to certain permitted exceptions); (v) restrictions on capital expenditures, with certain exceptions; (vi) incurrence of indebtedness (including contingent obligations); (vii) restrictions on liens; and (viii) requirements for obtaining interest rate protection in certain amounts. Upon reaching a "Prime Rating," various of the foregoing restrictions will be eliminated. The Credit Agreement will also require the Company to maintain financial covenants relating to leverage, fixed charge coverage and interest coverage.

Events of Default under the Credit Agreement will include, without limitation: (i) payment defaults; (ii) misrepresentations; (iii) covenant defaults; (iv) bankruptcy; (v) ERISA defaults; (vi) certain judgments; (vii) a Change of Control (as defined in the Credit Agreement); and (viii) material cross defaults, subject, in certain cases, to notice and grace period provisions. An Event of Default may result in the immediate termination of all commitments under the Credit Agreement, the acceleration of the principal of and any accrued interest on all loans and notes and obligations under the Credit Agreement, the termination of all Letters of Credit and the reimbursement by the Company with respect to all outstanding Letters of Credit. For purposes of the Credit Agreement, a "Change of Control" shall be defined as meaning (a) the occurrence of any "change of control" or similar event under the Notes offered hereby or any other agreements governing or evidencing debt of the Company or any of its subsidiaries or (b) any Person or group (as such term is defined in Section 13(d) or 14(d) of the Securities Exchange Act of 1934, as amended) acquiring, directly or indirectly, beneficial ownership (as such term is defined in Rule 13d-3 promulgated under said Act) of 35% or more of the outstanding voting stock of the Company.

The obligation to fund the Credit Agreement is subject to certain

conditions, including, without limitation, the execution and delivery of satisfactory definitive documentation, the absence of any material adverse change in the financial markets generally or in the business, property, assets, liabilities or condition (financial or otherwise) of the Company or of the Company and its subsidiaries taken as a whole, the absence of competing transactions sponsored by, or on behalf of, the Company or any of its subsidiaries in the loan syndication market and certain other matters.

MANAGEMENT

The following table sets forth certain information regarding the Directors and executive officers of the Company:

NAME	AGE	POSITIONS AND OFFICES WITH THE COMPANY
Walter E. Blankley.....	58	Chairman of the Board and Chief Executive Officer
Roger K. Derr.....	62	Executive Vice President--Chief Operating Officer
Allan Kornfeld.....	56	Executive Vice President--Chief Financial Officer
Murray A. Luftglass.....	62	Senior Vice President--Corporate Development
Peter A. Guercio.....	65	Group Vice President
Frank S. Hermance.....	45	Group Vice President
George E. Marsinek.....	56	Group Vice President
John J. Molinelli.....	47	Vice President and Comptroller
Deirdre D. Saunders.....	46	Treasurer and Assistant Secretary
Robert W. Yannarell.....	60	Secretary
Lewis G. Cole.....	63	Director
Helmut N. Friedlaender....	80	Director
Sheldon S. Gordon.....	58	Director
Charles D. Klein.....	55	Director
David P. Steinmann.....	52	Director
Elizabeth R. Varet.....	50	Director

WALTER E. BLANKLEY has been Chairman of the Board since April 1993. He was elected a Director and the President and Chief Executive Officer of the Company in April 1990. Mr. Blankley had served as a Senior Vice President since 1982. He was elected a Vice President of Ametek in 1971. Mr. Blankley was appointed General Manager of the Company's precision spring business in 1966, six years after joining Ametek in 1960. Mr. Blankley was also elected a Director of AMCAST Industrial Corporation in February 1994.

ROGER K. DERR has been Executive Vice President--Chief Operating Officer since April 1990. He had served as a Senior Vice President of Ametek since 1982. Mr. Derr was elected a Group Vice President in 1978 and a Vice President in 1972. He was named General Manager of the Company's electric motor business in 1970, having joined Ametek in 1958.

ALLAN KORNFELD has been Executive Vice President--Chief Financial Officer since April 1990. He has been Chief Financial Officer of Ametek since April 1986. Mr. Kornfeld was elected a Senior Vice President in 1984 and a Vice President in 1982. He joined Ametek in 1975 as Comptroller.

MURRAY A. LUFTGLASS has been Senior Vice President--Corporate Development since May 1984. He was elected Vice President--Corporate Development in 1976. Mr. Luftglass joined the Company's Westchester Plastics business in 1969.

PETER A. GUERCIO has been a Group Vice President since April 1990. He was elected a Vice President of Ametek in 1989. Mr. Guercio joined the Company in 1988 as General Manager of Specialty Metal Products, a business that Ametek acquired from Pfizer Inc. He had managed Specialty Metal Products since 1963.

FRANK S. HERMANCE joined the Company as a Group Vice President in November 1990. Previously he worked for Tektronix, Inc. and Taylor Instrument Company.

GEORGE E. MARSINEK has been a Group Vice President since April 1990. He was elected a Vice President in 1988. Mr. Marsinek was appointed General Manager

of Ametek's electric motor business in 1988, having joined the Company in 1964.

JOHN J. MOLINELLI has served as a Vice President and Comptroller of Ametek since April 1993. He was elected Comptroller in 1991 and General Auditor in 1989. Mr. Molinelli was appointed Director of the Company's Internal Audit group in 1986, having joined Ametek in 1969.

DEIRDRE D. SAUNDERS has served as Treasurer and Assistant Secretary since April 1993. Ms. Saunders joined Ametek in 1987 as Assistant Treasurer. Previously she served in financial and treasury positions with Exide Corporation and Buckeye Pipe Line Company.

ROBERT W. YANNARELL has served as Secretary of the Company since April 1993. He was elected Treasurer and Assistant Secretary in 1987. Mr. Yannarell was appointed Director of Ametek's Internal Audit group in 1979, having joined the Company in 1955.

LEWIS G. COLE has been a Director since 1987. He is a member of Stroock & Stroock & Lavan, which he joined in 1958.

HELMUT N. FRIEDLAENDER has been a Director since 1955. He is a private investor. Mr. Friedlaender was a financial adviser to Mr. William Rosenwald and his family and a director of American Securities Corporation.

SHELDON S. GORDON has been a Director since 1989. Mr. Gordon has been a General Partner of The Blackstone Group and Chairman of Blackstone Europe since 1991. He is a Director of Anangel-American Shipholdings Ltd., and The New York Eye & Ear Infirmary and was formerly Chairman and Chief Executive Officer of Stamford Capital Group and a Director of American Express Bank Ltd.

CHARLES D. KLEIN has been a Director since 1980. Since 1987, Mr. Klein has been a financial adviser to Mr. William Rosenwald and his family and a director of American Securities Corporation.

DAVID P. STEINMANN has been a Director since 1993. He is an executive officer of American Securities Corporation. Mr. Steinmann is Chief Administrative Officer of the organization responsible for management of the investment and philanthropic activities of the William Rosenwald family.

ELIZABETH R. VARET has been a Director since 1987. Ms. Varet is Chief Executive Officer of the organization responsible for management of the investment and philanthropic activities of the William Rosenwald family.

DESCRIPTION OF THE NOTES

The Notes are to be issued under an Indenture, to be dated as of , 1994 (the "Indenture"), between the Company and Corestates Bank, N.A., as Trustee (the "Trustee"). The Indenture is subject to and governed by the Trust Indenture Act of 1939, as amended. The statements under this caption relating to the Notes and the Indenture are summaries and do not purport to be complete, and where reference is made to particular provisions of the Indenture, such provisions, including the definition of certain terms, are incorporated by reference as a part of such summaries or terms, which are qualified in their entirety by such reference. Unless otherwise indicated, references under this caption to sections, "(S)" or articles are references to the Indenture which has been filed with the Commission as an exhibit to the Registration Statement of which this Prospectus is a part.

GENERAL

The Notes will be unsecured obligations of the Company, will be limited to $150 million aggregate principal amount and will mature on , 2006. The Notes will bear interest at the rate per annum shown on the front cover of this Prospectus from , 1994 or from the most recent Interest Payment Date to which interest has been paid or provided for, payable semi-annually on and of each year, commencing , 1994, to the Person in whose name the Note (or any predecessor Note) is registered at the close of business on the preceding or , as the case may be. Interest on the Notes will be computed on the basis of a 360-day year of twelve 30-day months. ((S)(S) 301, 307 and 310) Principal of and premium, if any, and interest on the Notes will be payable,

and the Notes may be presented for registration of transfer and exchange, at the office or agency of the Company maintained for that purpose in the Borough of Manhattan, the City of New York, provided that at the option of the Company, payment of interest on the Notes may be made by check mailed to the address of the Person entitled thereto as it appears in the Note Register. ((S)(S) 310, 305 and 1002)

The Notes will be issued only in fully registered form, without coupons, in denominations of $1,000 and any integral multiple thereof. ((S) 301) No service charge will be made for any registration of transfer or exchange of Notes, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith. ((S) 305)

Initially, the Trustee will act as Paying Agent and Registrar. The Notes may be presented for registration of transfer and exchange at the offices of the Registrar. ((S) 305)

REDEMPTION

The Notes will be subject to redemption, at the option of the Company, in whole or in part, at any time on or after , 1999 and prior to maturity, upon not less than 30 nor more than 60 days' notice mailed to each Holder of Notes to be redeemed at his address appearing in the Note Register, in amounts of $1,000 or an integral multiple of $1,000, at the following Redemption Prices (expressed as percentages of principal amount) plus accrued interest to but excluding the Redemption Date (subject to the right of Holders of record on the relevant Regular Record Date to receive interest due on an Interest Payment Date that is on or prior to the Redemption Date), if redeemed during the 12-month period beginning of the years indicated:

YEAR	REDEMPTION PRICE
1999	%
2000	%
2001 and thereafter	100.0%

If less than all the Notes are to be redeemed, the Trustee shall select, in such manner as it shall deem fair and appropriate, the particular Notes to be redeemed or any portion thereof that is an integral multiple of $1,000. ((S)(S) 203, 1101, 1104, 1105 and 1107)

The Notes will not have the benefit of any sinking fund obligations.

COVENANTS

The Indenture contains, among others, the following covenants:

Limitation on Company Debt

The Company may not Incur any Debt unless after giving effect to the Incurrence of such Debt and the receipt and application of the proceeds thereof, the Consolidated Cash Flow Ratio of the Company for the last four full fiscal quarters for which quarterly or annual financial statements are available next preceding the Incurrence of such Debt, calculated on a pro forma basis as if such Indebtedness had been Incurred at the beginning of such four full fiscal quarters, would be greater than 2.5 to 1.

Notwithstanding the foregoing limitation, the Company may Incur the following: (i) Debt under the Credit Agreement in an aggregate principal amount at any one time not to exceed $250 million, less principal payments actually made by the Company on any term Debt facility under the Credit Agreement (other than principal payments made in connection with or pursuant to a refinancing or refunding of the Credit Agreement), and any renewal, refinancing, refunding or extension thereof in an amount which, together with any amount remaining outstanding or available under the Credit Agreement immediately after such renewal, refinancing, refunding or extension does not exceed the sum of (x) the amount outstanding under the Term Debt Facilities and (y) the amount outstanding or available under the Revolving Credit

Facilities immediately prior to such renewal, refinancing, refunding or extension, plus the amount of any premium required to be paid in connection with such renewal, refinancing, refunding or extension pursuant to the terms of the Debt renewed, refinanced, refunded or extended and the expenses of the Company Incurred in connection with such renewal, refinancing, refunding or extension; (ii) Debt owed by the Company to any Wholly Owned Subsidiary of the Company; provided, however, that upon either (x) the transfer or other disposition by such Wholly Owned Subsidiary of any Debt so permitted to a Person other than the Company or another Wholly Owned Subsidiary of the Company or (y) the issuance (other than directors' qualifying shares), sale, lease, transfer or other disposition of shares of Capital Stock (including by consolidation or merger) of such Wholly Owned Subsidiary to a Person other than the Company or another such Wholly Owned Subsidiary, the provisions of this Clause (ii) shall no longer be applicable to such Debt and such Debt shall be deemed to have been Incurred at the time of such transfer or other disposition; (iii) Debt in respect of letters of credit issued in the ordinary course of the Company's business not to exceed $15 million at any one time outstanding; (iv) Debt under any Interest Rate, Currency or Commodity Protection Agreements; (v) renewals, refinancings, refundings or extensions of any outstanding Debt Incurred in compliance with the provisions of the Indenture described in the first paragraph of "Limitation on Company Debt" above or of the Notes; provided, however, that such Debt does not exceed the principal amount of Debt so renewed, refinanced, refunded or extended plus the amount of any premium required to be paid in connection with such renewal, refinancing, refunding or extension pursuant to the terms of the Debt renewed, refinanced, refunded or extended and the expenses of the Company Incurred in connection with such renewal, refinancing, refunding or extension; and provided further, that Debt the proceeds of which are used to renew, refinance, refund or extend Debt which is pari passu to the Notes or Debt which is subordinate in right of payment to the Notes shall only be permitted if (A) in the case of any renewal, refinancing, refunding or extension of Debt which is pari passu to the Notes, the renewal, refinancing, refunding or extension Debt is made pari passu to the Notes or subordinated to the Notes, and, in the case of any renewal, refinancing, refunding or extension of Debt which is subordinated to the Notes, the renewal, refinancing, refunding or extension Debt constitutes Subordinated Debt and (B) in either case, the renewal, refinancing, refunding or extension Debt by its terms, or by the terms of any agreement or instrument pursuant to which such Debt is issued, (x) does not provide for payments of principal of such Debt at the stated maturity thereof or by way of a sinking fund applicable thereto or by way of any mandatory redemption, defeasance, retirement or repurchase thereof by the Company (including any redemption, retirement

or repurchase which is contingent upon events of circumstances, but excluding any retirement required by virtue of acceleration of such Debt upon any event of default thereunder), in each case prior to the stated maturity of the Debt being refinanced or refunded and (y) does not permit redemption or other retirement (including pursuant to an offer to purchase made by the Company) of such debt at the option of the holder thereof prior to the final stated maturity of the Debt being refinanced or refunded, other than a redemption or other retirement at the option of the holder of such Debt (including pursuant to an offer to purchase made by the Company) which is conditioned upon the change of control of the Company pursuant to provisions substantially similar to those described under "Change of Control"; (vi) Debt consisting of borrowings against the cash value of Corporate Owned Life Insurance Policies; and (vii) Debt not otherwise permitted to be Incurred pursuant to clauses (i) through (vi) above (which Debt may be incurred under the Credit Agreement), which, together with any other outstanding Debt Incurred pursuant to this Clause (vii), has an aggregate principal amount not in excess of $35 million at any time outstanding. ((S) 1008)

Limitation on Debt and Preferred Stock of Subsidiaries

The Company may not permit any Subsidiary of the Company to Incur or suffer to exist any Debt or issue any Preferred Stock except: (i) Debt or Preferred Stock outstanding on the date of the Indenture; (ii) Guarantees of Debt of the Company under the Credit Agreement and any renewal, refinancing, refunding or extension thereof permitted by the provisions of the Indenture described in Clause (i) under "Limitation on Company Debt"; (iii) Debt of a Foreign Subsidiary Incurred solely to fund such Foreign Subsidiary's working capital requirements which, together with any other outstanding Debt of such Foreign

Subsidiary Incurred pursuant to this Clause (iii), has an aggregate principal amount not in excess of the greater of $20 million or 65% of the aggregate book value of receivables and inventories of such Foreign Subsidiary at the time of Incurrence of such Debt; (iv) Debt Incurred or Preferred Stock issued to and held by the Company or a Wholly Owned Subsidiary of the Company; provided, however, that upon either (x) the transfer or other disposition by the Company or such Wholly Owned Subsidiary of any Debt so permitted to a Person other than the Company or another Wholly Owned Subsidiary of the Company or (y) the issuance (other than directors' qualifying shares), sale, lease, transfer or other disposition of shares of Capital Stock (including by consolidation or merger) of such Wholly Owned Subsidiary to a Person other than the Company or another such Wholly Owned Subsidiary, the provisions of this Clause (iv) shall no longer be applicable to such Debt and such Debt shall be deemed to have been Incurred at the time of such transfer or other disposition; (v) Debt Incurred or Preferred Stock issued by a Person prior to the time (A) such Person became a Subsidiary of the Company, (B) such Person merges into or consolidates with a Subsidiary of the Company or (C) another Subsidiary of the Company merges into or consolidates with such Person (in a transaction in which such Person becomes a Subsidiary of the Company), which Debt or Preferred Stock was not Incurred or issued in anticipation of such transaction and was outstanding prior to such transaction; provided, however, that the Company would be permitted to Incur such Debt pursuant to the provisions of the Indenture described in the first paragraph of "Limitation on Company Debt" above; (vi) Debt secured by a Lien on real or personal property or improvements thereon which Debt (a) constitutes all or a part of the purchase price of such property or the cost of construction or improvement of such property or (b) is Incurred prior to, at the time of or within 270 days after the acquisition of such property for the purpose of financing all or any part of the purchase price or the cost of construction or improvement thereof and which property was not owned by the Company and/or any Subsidiary of the Company prior to such acquisition; provided, however, the Debt so secured does not exceed the purchase price, or the cost of construction or improvement, of such property and provided, further, that the Company would be permitted to Incur such Debt pursuant to the provisions of the Indenture described in the first paragraph of "Limitation on Company Debt" above; (vii) Guarantees of Debt Incurred pursuant to Clause (vii) of "Limitation on Company Debt" above; (viii) Debt under any Interest Rate, Currency or Commodity Protection Agreement; (ix) Guarantees of Debt under an Interest Rate Protection Agreement Incurred pursuant to Clause (iv) of "Limitation on Company Debt" above, provided, however that the Debt which is being hedged by such

Interest Rate Protection Agreement is Guaranteed by a Subsidiary of the Company; and (x) Debt or Preferred Stock which is exchanged for, or the proceeds of which are used to refinance or refund, any Debt or Preferred Stock permitted to be outstanding pursuant to Clauses (v) and (vi) hereof (or any extension or renewal thereof), in an aggregate principal amount, in the case of Debt, or liquidation preference, in the case of Preferred Stock, not to exceed the principal amount or liquidation preference of the Debt or Preferred Stock, respectively, so exchanged, refinanced or refunded plus the amount of any premium required to be paid in connection with such refinancing pursuant to the terms of the Debt refinanced and the expenses of the Company or such Subsidiary Incurred in connection with such refinancing and provided such refinancing or refunding Debt or Preferred Stock by its terms, or by the terms of any agreement or instrument pursuant to which such Debt or Preferred Stock is issued, (x) does not provide for payments of principal or liquidation value at the stated maturity of such Debt or Preferred Stock or by way of a sinking fund applicable to such Debt or Preferred Stock or by way of any mandatory redemption, defeasance, retirement or repurchase of such Debt or Preferred Stock by the Company (including any redemption, retirement or repurchase which is contingent upon events or circumstances, but excluding any retirement required by virtue of acceleration of such Debt upon an event of default thereunder), in each case prior to the stated maturity of the Debt or Preferred Stock being refinanced or refunded and (y) does not permit redemption or other retirement (including pursuant to an offer to purchase made by the Company) of such Debt or Preferred Stock at the option of the holder thereof prior to the stated maturity of the Debt or Preferred Stock being refinanced or refunded, other than a redemption or other retirement at the option of the holder of such Debt or Preferred Stock (including pursuant to an offer to purchase made by the Company) which is conditioned upon the change of control of the Company pursuant to provisions substantially similar to those contained in the Indenture described under "Change of Control".

((S) 1009)

Limitation on Restricted Payments

The Company (i) may not, directly or indirectly, declare or pay any dividend, or make any distribution, in respect of its Capital Stock or to the holders thereof, excluding any dividends or distributions payable solely in shares of its Capital Stock (other than Disqualified Stock) or in options, warrants or other rights to acquire its Capital Stock (other than Disqualified Stock), (ii) may not, and may not permit any Subsidiary to, purchase, redeem, or otherwise retire or acquire for value (a) any Capital Stock of the Company or any Related Person of the Company or (b) any options, warrants or rights to purchase or acquire shares of Capital Stock of the Company or any Related Person of the Company or any securities convertible or exchangeable into shares of Capital Stock of the Company or any Related Person of the Company, (iii) may not make, or permit any Subsidiary to make, any Investment (other than a Permitted Investment) in, or payment on a Guarantee of any obligation of, any Unrestricted Subsidiary or any other Person (other than (x) the Company, (y) a Subsidiary of the Company (or a Person that becomes a Subsidiary as a result of such Investment) or (z) any other Affiliate of the Company which is not a Related Person of the Company (or a Person that becomes an Affiliate as a result of such Investment)), and (iv) may not, and may not permit any Subsidiary to, redeem, defease, repurchase, retire or otherwise acquire or retire for value prior to any scheduled maturity, repayment or sinking fund payment Debt of the Company which is subordinate in right of payment to the Notes (each of clauses (i) through (iv) being a "Restricted Payment") if: (1) an Event of Default, or an event that with the passing of time or the giving of notice, or both, would constitute an Event of Default, shall have occurred and is continuing, or (2) upon giving effect to such Restricted Payment, the Company could not Incur at least $1.00 of additional Debt pursuant to the terms of the Indenture described in the first paragraph of "Limitation on Company Debt" above, or (3) upon giving effect to such Restricted Payment, the aggregate of all Restricted Payments from the date of the Indenture exceeds the sum of: (a) 50% of cumulative Consolidated Net Income (or, in the case Consolidated Net Income shall be negative, less 100% of such deficit) since January 1, 1994 through the last day of the last full fiscal quarter ending immediately preceding the date of such Restricted Payment; plus (b) 100% of the aggregate net proceeds received after the date of the Indenture,

including the fair value of property other than cash (determined in good faith by the Board of Directors as evidenced by a resolution of the Board of Directors filed with the Trustee), from the issuance (other than to a Subsidiary of the Company) of Capital Stock (other than Disqualified Stock) of the Company and warrants, rights or options on Capital Stock (other than Disqualified Stock) of the Company and the principal amount (or accreted value of Debt issued at a discount) of Debt of the Company that has been converted into Capital Stock (other than Disqualified Stock) of the Company after the date of the Indenture; plus (c) 100% of the aggregate amount of all Restricted Payments that are returned, without restriction, in cash to the Company or any Subsidiary if and to the extent that such payments are not included in Consolidated Net Income; plus (d) $75 million; plus (e) in the event that the Company does not pay an aggregate of $150 million or more to repurchase Common Stock of the Company pursuant to the second succeeding paragraph, the amount which, together with the amount paid to repurchase Common Stock pursuant to the second succeeding paragraph, equals $150 million.

The foregoing provision will not be violated by reason of the payment of any dividend on Capital Stock of any class within 60 days after the declaration thereof if, on the date when the dividend was declared, the Company could have paid such dividend in accordance with the provisions of the Indenture.

Notwithstanding the foregoing, the Company may from time to time pay up to $150 million in the aggregate from the date of the Indenture to repurchase Common Stock of the Company pursuant to open market or privately negotiated transactions, tender offers or otherwise, and such purchases shall not be deemed Restricted Payments for purposes of calculating the aggregate amount of all Restricted Payments pursuant to clause (3) above. ((S) 1010)

Limitations Concerning Distributions by and Transfers to Subsidiaries

The Company may not, and may not permit any Subsidiary to, suffer to exist any consensual encumbrance or restriction on the ability of any Subsidiary of the Company, (i) to pay directly or indirectly dividends or make any other distributions in respect of its Capital Stock or pay any Debt or other obligation owed to the Company or any other Subsidiary; (ii) to make loans or advances to the Company or any Subsidiary; or (iii) to transfer any of its property or assets to the Company or any Subsidiary. Notwithstanding the foregoing, the Company may, and may permit any Subsidiary to, suffer to exist any such encumbrance or restriction (a) pursuant to any agreement in effect on the date of the Indenture (including the Credit Agreement), or (b) pursuant to an agreement relating to any Debt Incurred by such Subsidiary prior to the date on which such Subsidiary was acquired by the Company and outstanding on such date and not Incurred in anticipation of becoming a Subsidiary, or (c) pursuant to an agreement effecting a renewal, refinancing, refunding or extension of Debt Incurred pursuant to an agreement referred to in clause (a) or (b) above; provided, however, that the provisions contained in such renewal, refinancing, refunding or extension agreement relating to such encumbrance or restriction are no more restrictive in any material respect than the provisions contained in the agreement the subject thereof, as determined in good faith by the Board of Directors of the Company and evidenced by a resolution of the Board of Directors filed with the Trustee or (d) in the case of a Foreign Subsidiary, pursuant to an agreement governing the terms of any Debt to fund such Foreign Subsidiary's working capital requirements permitted by clause (iii) of "Limitation of Debt and Preferred Stock of Subsidiaries" above, provided that such encumbrance or restriction relates only to the payment of dividends or other cash distributions and, provided, further, that such encumbrance or restriction does not, in the reasonable judgment of the Board of Directors of the Company, impact the Company's ability to make all payments when due on the Notes, as determined in good faith by the Board of Directors of the Company and evidenced by a resolution of the Board of Directors filed with the Trustee. ((S) 1013)

Limitation on Liens

The Company may not, and may not permit any Subsidiary to, Incur or suffer to exist any Lien on or with respect to any property or assets of the Company or any such Subsidiary now owned or hereinafter acquired to secure any Debt without making, or causing such Subsidiary to make, effective provision for securing the Notes (and, if the Company shall so determine, any other Debt of the Company which is not subordinate to the Notes or of such Subsidiary) (x) equally and ratably with such Debt or (y) in the event such Debt is subordinate in right of payment to the Notes, prior to such Debt, as to such property or assets for so long as such Debt shall be so secured. The foregoing restrictions shall not apply to Liens in respect of Debt existing at the date of the Indenture or to: (i) Liens in favor of the Company or a Wholly Owned Subsidiary of the Company (but only so long as such Person is a Wholly Owned Subsidiary of the Company); (ii) Liens to secure Debt and other obligations under the Credit Agreement and any renewal, refinancing, refunding or extension thereof, provided, however that the Incurrence of such Debt is permitted by the provisions described in "Limitation on Company Debt" above; (iii) Liens securing only the Notes; (iv) Liens on property existing at the time of acquisition thereof (and not in anticipation of the financing of such acquisition); (v) Liens to secure Debt Incurred for the purpose of financing all or any part of purchase price or the cost of construction or improvement of the property subject to such Liens, provided, however, that (a) the principal amount of any Debt secured by such a Lien does not exceed 100% of such purchase price or cost, (b) such Lien does not extend to or cover any other property other than such item of property and any improvements on such item and (c) the Incurrence of such Debt is permitted by the provisions described under "Limitation on Company Debt" or "Limitation on Debt and Preferred Stock of Subsidiaries"; (vi) Liens on property of a Person existing at the time such Person is merged into or consolidated with the Company or any Subsidiary of the Company; (vii) Liens to secure Debt and other obligations Incurred pursuant to Clause (vii) of "Limitation on Company Debt" above; (viii) Liens to secure Debt under an Interest Rate Protection Agreement Incurred pursuant to Clause (iv) of "Limitation on Company Debt" above, provided, however that the Debt which is being hedged by such Interest Rate Protection Agreement is secured by a Lien; and (ix) Liens to secure any renewal, refinancing, refunding or extension (or successive renewals, refinancings, refundings or extensions), in whole or in part, of any Debt secured by Liens referred to in the foregoing clauses (iii) through (vi) so

long as such Liens do not extend to any other property and the Debt so secured is not increased.

In addition to the foregoing, the Company and its Subsidiaries may Incur a Lien to secure any Debt or enter into a Sale and Leaseback Transaction, without securing the Notes equally and ratably with or prior to such Debt, if the sum of: (i) the amount of Debt subject to Liens entered into after the date of the Indenture and otherwise prohibited by the Indenture, and (ii) the Attributable Value of Sale and Leaseback Transactions entered into after the date of the Indenture and otherwise prohibited by the Indenture does not exceed 5% of Consolidated Tangible Assets of the Company at the time of Incurrence of such Lien or the entering into of such Sale and Leaseback Transaction. ((S) 1011)

Limitation on Sale and Leaseback Transactions

The Company may not, and may not permit any Subsidiary of the Company to, enter into any Sale and Leaseback Transaction (except for a period not exceeding 30 months) unless: (i) the Company or such Subsidiary would be entitled to Incur a Lien to secure Debt in accordance with the provision of the Indenture described in the second paragraph under "Limitation on Liens" above equal in amount to the Attributable Value of the Sale and Leaseback Transaction without securing the Notes; or (ii) the Company or such Subsidiary applies or commits to apply within 60 days an amount equal to the net proceeds of the property sold pursuant to the Sale and Leaseback Transaction to the permanent repayment or reduction of outstanding Debt to the extent required or, to the extent not so required, to the redemption of the Notes or, if the Notes are not redeemable, to the repayment of other Company Debt which is pari passu to the Notes or Subsidiary Debt or, if no such Debt is then outstanding, other Company Debt. ((S) 1012)

Transactions with Affiliates

The Company may not, and may not permit any Subsidiary of the Company to, enter into any transaction (or series of related transactions) not in the ordinary course of business of the Company or such Subsidiary with an Affiliate of the Company (other than the Company or a Wholly Owned Subsidiary of the Company), including any loan, advance or investment, either directly or indirectly, involving aggregate consideration in excess of $5 million unless such transaction (i) is, in the opinion of the Board of Directors, as evidenced by a resolution of the Board of Directors filed with the Trustee, (A) on terms no less favorable to the Company or such Subsidiary than those that could be obtained in a comparable arm's length transaction with an entity that is not an Affiliate and (B) in the best interests of the Company or such Subsidiary and (ii) is approved by the independent members of the Board of Directors of the Company. ((S) 1014)

Change of Control

Upon the occurrence of a Change of Control, the Company will be required to make an Offer to Purchase all Outstanding Notes at a purchase price equal to 101% of their principal amount plus accrued interest to the date of purchase. A "Change of Control" will be deemed to have occurred in the event that, after the date of the Indenture, either (a) any Person or any Persons acting together that would constitute a group (for purposes of Section 13(d) of the Securities Exchange Act of 1934, or any successor provision thereto) (a "Group"), together with any Affiliates or Related Persons thereof (other than an employee benefit plan of the Company or any Subsidiary) that files a Schedule 13D or 14D-1 under the Securities Exchange Act of 1934 disclosing that such Person or Group beneficially owns (as defined in Rule 13d-3 under the Securities Exchange Act of 1934, or any successor provision thereto) at least 50% of the aggregate voting power of all classes of Capital Stock of the Company entitled to vote generally in the election of directors of the Company; or (b) any Person or Group, together with any Affiliates or Related Persons thereof, shall succeed in having a sufficient number of its nominees elected to the Board of Directors of the Company such that such nominees, when added to any existing director remaining on the Board of Directors of the Company after such election who is an Affiliate or Related Person of such Group, will constitute a majority of the Board of Directors of the Company, provided that in no event shall any Continuing Director be included in such majority, whether or not such Continuing Director was nominated by such Person or Group or is an Affiliate or Related Person of such Group. "Continuing

Director" shall mean (i) any Person who is a member of the Board of Directors of the Company as of the date of the Indenture, at any time that such Person is a member of the Board, or (ii) any Person who subsequently becomes a member of the Board, at any time that such Person is a member of the Board, provided that such Person's nomination for election or election to the Board is recommended or approved by a majority of the Continuing Directors. ((S) 1015)

In the event that the Company makes an Offer to Purchase the Notes, the Company intends to comply with any applicable securities laws and regulations, including any applicable requirements of Section 14(e) of, and Rule 14e-1 under, the Securities Exchange Act of 1934.

PROVISION OF FINANCIAL INFORMATION

Whether or not the Company is required to be subject to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, or any successor provision thereto, the Company shall file with the Commission, to the extent permitted, the annual reports, quarterly reports and other documents which the Company would have been required to file with the Commission pursuant to such Section 13(a) or 15(d) or any successor provision thereto if the Company were so required, such documents to be filed with the Commission on or prior to the respective dates (the "Required Filing Dates") by which the Company would have been required so to file such documents if the Company were so required. The Company shall also in any event (a) within 15 days of each Required Filing Date (i) transmit by mail to all Holders, as their names and addresses appear in the Security Register, without cost to such Holders, and (ii)

file with the Trustee copies of the annual reports, quarterly reports and other documents which the Company would have been required to file with the Commission pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 or any successor provisions thereto if the Company were required to be subject to such Sections and (b) if filing such documents by the Company with the Commission is not permitted under the Securities Exchange Act of 1934, promptly upon written request supply copies of such documents to any prospective Holder. ((S) 1016)

MERGERS, CONSOLIDATIONS AND CERTAIN SALES OF ASSETS

The Company (i) may not consolidate with or merge into any other Person (other than a Wholly Owned Subsidiary) or permit any other Person (other than a Wholly Owned Subsidiary) to consolidate with or merge into the Company and (ii) may not, directly or indirectly, transfer, sell, lease or otherwise dispose of all or substantially all of its assets unless: (1) in a transaction in which the Company does not survive or in which the Company sells, leases or otherwise disposes of all or substantially all of its assets, the successor entity to the Company is organized under the laws of the United States of America or any State thereof or the District of Columbia and shall expressly assume, by a supplemental indenture executed and delivered to the Trustee in form satisfactory to the Trustee, all of the Company's obligations under the Indenture; (2) immediately before and after giving effect to such transaction and treating any Debt which becomes an obligation of the Company or a Subsidiary as a result of such transaction as having been Incurred by the Company or such Subsidiary at the time of the transaction, no Event of Default or event that with the passing of time or the giving of notice, or both, would constitute an Event of Default shall have occurred and be continuing; (3) immediately after giving effect to such transaction and treating any Debt which becomes an obligation of the Company as a result of such transaction as having been Incurred by the Company at the time of the transaction, the Company or the successor entity to the Company could Incur at least $1.00 of additional Debt pursuant to the provisions of the Indenture described in the first paragraph under "Limitation on Company Debt" above; (4) if, as a result of any such transaction, property or assets of the Company would become subject to a Lien prohibited by the provisions of the Indenture described under "Limitation on Liens" above, the Company or the successor entity to the Company shall have secured the Notes as required by said covenant; and (5) certain other conditions are met. ((S) 801)

CERTAIN DEFINITIONS

Set forth below is a summary of certain of the defined terms used in the Indenture. Reference is made to the Indenture for the full definition of all such terms, as well as any other terms used herein for which no definition is

provided. ((S) 101)

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

"Asset Disposition" by any Person means any transfer, conveyance, sale, lease or other disposition by such Person or any of its Subsidiaries (including a consolidation or merger or other sale of any such Subsidiary with, into or to another Person in a transaction in which such Subsidiary ceases to be a Subsidiary, but excluding a disposition by a Subsidiary of such Person to such Person or a Wholly Owned Subsidiary of such Person or by such Person to a Wholly Owned Subsidiary of such Person) of (i) shares of Capital Stock (other than directors' qualifying shares) or other ownership interests of a Subsidiary of such Person, (ii) substantially all of the assets of such Person or any of its

Subsidiaries representing a division or line of business or (iii) other assets or rights of such Person or any of its Subsidiaries outside of the ordinary course of business.

"Attributable Value" means, as to any particular lease under which any Person is at the time liable other than a Capital Lease Obligation, and at any date as of which the amount thereof is to be determined, the total net amount of rent required to be paid by such Person under such lease during the initial term thereof as determined in accordance with generally accepted accounting principles, discounted from the last date of such initial term to the date of determination at a rate per annum equal to the discount rate which would be applicable to a Capital Lease Obligation with like term in accordance with generally accepted accounting principles. The net amount of rent required to be paid under any such lease for any such period shall be the aggregate amount of rent payable by the lessee with respect to such period after excluding amounts required to be paid on account of insurance, taxes, assessments, utility, operating and labor costs and similar charges. In the case of any lease which is terminable by the lessee upon the payment of a penalty, such net amount shall also include the amount of such penalty, but no rent shall be considered as required to be paid under such lease subsequent to the first date upon which it may be so terminated. "Attributable Value" means, as to a Capital Lease Obligation under which any Person is at the time liable and at any date as of which the amount thereof is to be determined, the capitalized amount thereof that would appear on the face of a balance sheet of such Person in accordance with generally accepted accounting principles.

"Capital Lease Obligation" of any Person means the obligation to pay rent or other payment amounts under a lease of (or other Debt arrangements conveying the right to use) real or personal property of such Person which is required to be classified and accounted for as a capital lease or a liability on the face of a balance sheet of such Person in accordance with generally accepted accounting principles. The stated maturity of such obligation shall be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be terminated by the lessee without payment of a penalty.

"Capital Stock" of any Person means any and all shares, interests, participation or other equivalents (however designated) of corporate stock of such Person.

"Common Stock" of any Person means Capital Stock of such Person that does not rank prior, as to the payment of dividends or as to the distribution of assets upon any voluntary or involuntary liquidation, dissolution or winding up of such Person, to shares of Capital Stock of any other class of such Person.

"Consolidated Cash Flow Available for Fixed Charges" of any Person means for any period the Consolidated Net Income for such period increased by the sum of (i) Consolidated Interest Expense of such Person for such period, plus (ii) Consolidated Income Tax Expense of such Person for such period, plus (iii) the consolidated depreciation and amortization expense included in the income

statement of such Person for such period, plus (iv) other non-cash charges of such Person for such period deducted from consolidated revenues in determining Consolidated Net Income for such period, minus (v) non-cash items of such Person for such period increasing consolidated revenues in determining Consolidated Net Income for such period.

"Consolidated Cash Flow Ratio" of any Person means for any period the ratio of (i) Consolidated Cash Flow Available for Fixed Charges of such Person for such period to (ii) the sum of (A) Consolidated Interest Expense of such Person for such period, plus (B) the interest expense for such period (including the amortization of debt discount) with respect to any Debt proposed to be Incurred by such Person or its Subsidiaries, minus (C) Consolidated Interest Expense of such Person to the extent included in Clause (ii)(A) with respect to any Debt that will no longer be outstanding as a result of the Incurrence of the Debt proposed to be Incurred, plus (D) the interest expense for such period (including the amortization of debt discount) with respect to any other Debt Incurred by such Person

or its Subsidiaries since the end of such period to the extent not included in Clause (ii)(A) minus (E) Consolidated Interest Expense of such Person to the extent included in Clause (ii)(A) with respect to any Debt that no longer is outstanding as a result of the Incurrence of the Debt referred to in clause (ii)(D); provided, however, that in making such computation, the Consolidated Interest Expense of such Person attributable to interest on any Debt bearing a floating interest rate shall be computed on a pro forma basis as if the rate in effect on the date of computation had been the applicable rate for the entire period, provided further that, in the event such Person or any of its Subsidiaries has made Asset Dispositions or acquisitions of assets not in the ordinary course of business (including acquisitions of other Persons by merger, consolidation or purchase of Capital Stock) during or after such period, such computation shall be made on a pro forma basis as if the Asset Dispositions or acquisitions had taken place on the first day of such period.

"Consolidated Income Tax Expense" of any Person means for any period the consolidated provision for income taxes of such Person for such period calculated on a consolidated basis in accordance with generally accepted accounting principles; provided that there shall be excluded therefrom the tax effect of any of the items described in Clauses (a) through (f) of the definition of Consolidated Net Income.

"Consolidated Interest Expense" for any Person means for any period the consolidated interest expense included in a consolidated income statement (without deduction of interest income) of such Person for such period calculated on a consolidated basis in accordance with generally accepted accounting principles, including without limitation or duplication (or, to the extent not so included, with the addition of), (i) the amortization of Debt discounts; (ii) any payments or fees with respect to letters of credit, bankers' acceptances or similar facilities; (iii) fees with respect to interest rate swap or similar agreements or foreign currency hedge, exchange or similar agreements; (iv) Preferred Stock dividends of such Person (other than with respect to Disqualified Stock) declared and paid or payable; (v) accrued Disqualified Stock dividends of such Person and all accrued Preferred Stock dividends of Subsidiaries of such Person, in each case whether or not declared or paid; (vi) interest on Debt guaranteed by such Person; and (vii) the portion of any rental obligation treated as interest expense in accordance with generally accepted accounting principles.

"Consolidated Net Income" of any Person means for any period the consolidated net income (or loss) of such Person for such period determined on a consolidated basis in accordance with generally accepted accounting principles; provided that there shall be excluded therefrom (a) the net income (or loss) of any Person acquired by such Person or a Subsidiary of such Person in a pooling-of-interests transaction for any period prior to the date of such transaction, (b) the net income (but not net loss) of any Subsidiary of such Person which is subject to restrictions which prevent the payment of dividends or the making of distributions to such Person to the extent of such restrictions, provided that there shall not be excluded the net income of a Foreign Subsidiary which is subject to an encumbrance or restriction on the payment of dividends and other cash distributions permitted by the provisions of the Indenture described under Clause (d) of "Limitations Concerning Distributions by and Transfers to Subsidiaries" in all cases except for purposes of the provisions of the Indenture described under "Limitation on

Restricted Payments", in which case the net income of such a Subsidiary shall be excluded in accordance with this Clause (b), (c) the net income (or loss) of any Person that is not a Subsidiary of such Person except to the extent of the amount of dividends or other distributions actually paid to such Person by such other Person during such period, (d) gains or losses on Asset Dispositions by such Person or its Subsidiaries, (e) all extraordinary or nonrecurring gains and extraordinary or nonrecurring losses, (f) the cumulative effect of changes in accounting principles in the year of adoption of such changes, and (g) the tax effect of any of the items described in Clauses (a) through (f) above.

"Consolidated Tangible Assets" of any Person means the sum of the Tangible Assets of such Person, determined on a consolidated basis in accordance with generally accepted accounting

principles, including appropriate deductions for any minority interest in Tangible Assets of such Person's Subsidiaries; provided, however, that adjustments following the date of the Indenture to the accounting books and records of the Company in accordance with Accounting Principles Board Opinions Nos. 16 and 17 (or successor opinions thereto) or otherwise resulting from the acquisition of control of the Company by another Person shall not be given effect to.

"Corporate Owned Life Insurance Policies" means corporate owned life insurance policies held by the Company with respect to certain of its employees.

"Debt" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent, (i) every obligation of such Person for money borrowed, (ii) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments, including obligations Incurred in connection with the acquisition of property, assets or businesses, (iii) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar facilities issued for the account of such Person, (iv) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or accrued liabilities arising in the ordinary course of business), (v) every Capital Lease Obligation of such Person, (vi) the maximum fixed redemption or repurchase price of Disqualified Stock of such Person at the time of determination, (vii) every obligation under Interest Rate, Currency or Commodity Protection Agreements of such Person and (viii) every obligation of the type referred to in Clauses (i) through (vii) of another Person and all dividends of another Person the payment of which, in either case, such Person has Guaranteed or is responsible or liable, directly or indirectly, as obligor, Guarantor or otherwise.

"Disqualified Stock" of any Person means any Capital Stock of such Person which, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or is redeemable at the option of the Company, any Subsidiary of the Company or the holder thereof, in whole or in part, on or prior to the final Stated Maturity of the Securities.

"Foreign Subsidiary" means with respect to any Person, any Subsidiary of such Person that is incorporated in a country other than the United States.

"Guarantee" by any Person means any obligation, contingent or otherwise, of such Person guaranteeing, or having the economic effect of guaranteeing, any Debt of any other Person (the "primary obligor") in any manner, whether directly or indirectly, and including, without limitation, any obligation of such Person, (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Debt or to purchase (or to advance or supply funds for the purchase of) any security for the payment of such Debt, (ii) to purchase property, securities or services for the purpose of assuring the holder of such Debt of the payment of such Debt, or (iii) to maintain working capital, equity capital or other financial statement condition or liquidity of the primary obligor so as to enable the primary obligor to pay such Debt (and "Guaranteed", "Guaranteeing" and "Guarantor" shall have meanings correlative to the foregoing); provided, however, that the Guaranty by any Person shall not include endorsements by such Person for collection or deposit, in either

case, in the ordinary course of business.

"Incur" means, with respect to any Debt or other obligation of any Person, to create, issue, incur (by conversion, exchange or otherwise), assume, Guarantee or otherwise become liable in respect of such Debt or other obligation or the recording, as required pursuant to generally accepted accounting principles or otherwise, of any such Debt or other obligation on the balance sheet of such Person (and "Incurrence", "Incurred", "Incurrable" and "Incurring" shall have meanings correlative to the foregoing); provided, however, that a change in generally accepted accounting principles that results

in an obligation of such Person that exists at such time becoming Debt shall not be deemed an Incurrence of such Debt.

"Interest Rate, Currency or Commodity Protection Agreement" means any interest rate swap agreement, interest rate cap agreement, currency swap agreement, commodity swap or cap agreement or other financial agreement or arrangement designed to protect the Company against fluctuations in interest rates, or currency exchange or commodity prices and which shall have a notional amount no greater than the amount of the underlying obligation being hedged thereby.

"Investment" by any Person means any direct or indirect loan, advance or other extension of credit or capital contribution (by means of transfers of cash or other property to others or payments for property or services for the account or use of others, or otherwise) to, or purchase or acquisition of Capital Stock, bonds, notes, debentures or other securities or evidence of Debt issued by, any other Person.

"Lien" means, with respect to any property or assets, any mortgage or deed of trust, pledge, hypothecation, assignment, deposit arrangement, security interest, lien, charge, easement (other than any easement not materially impairing usefulness or marketability), encumbrance, preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever on or with respect to such property or assets (including, without limitation, any conditional sale or other title retention agreement having substantially the same economic effect as any of the foregoing).

"Offer to Purchase" means a written offer (the "Offer") sent by the Company by first class mail, postage prepaid, to each Holder at his address appearing in the Security Register on the date of the Offer offering to purchase up to the principal amount of Notes specified in such Offer at the purchase price specified in such Offer (as determined pursuant to the Indenture). Unless otherwise required by applicable law, the Offer shall specify an expiration date (the "Expiration Date") of the Offer to Purchase which shall be, subject to any contrary requirements of applicable law, not less than 30 days or more than 60 days after the date of such Offer and a settlement date (the "Purchase Date") for purchase of Notes within five Business Days after the Expiration Date. The Company shall notify the Trustee at least 15 Business Days (or such shorter period as is acceptable to the Trustee) prior to the mailing of the Offer of the Company's obligation to make an Offer to Purchase, and the Offer shall be mailed by the Company or, at the Company's request, by the Trustee in the name and at the expense of the Company. The Offer shall contain information concerning the business of the Company and its Subsidiaries which the Company in good faith believes will enable such Holders to make an informed decision with respect to the Offer to Purchase (which at a minimum will include (i) the most recent annual and quarterly financial statements and "Management's Discussion and Analysis of Financial Condition and Results of Operations" contained in the documents required to be filed with the Trustee pursuant to the Indenture (which requirements may be satisfied by delivery of such documents together with the Offer), (ii) a description of material developments in the Company's business subsequent to the date of the latest of such financial statements referred to in Clause (i) (including a description of the events requiring the Company to make the Offer to Purchase), (iii) if applicable, appropriate pro forma financial information concerning the Offer to Purchase and the events requiring the Company to make the Offer to Purchase and (iv) any other information required by applicable law to be included therein). The Offer shall contain all instructions and materials necessary to enable such Holders to tender Notes pursuant to the Offer to Purchase. The Offer shall also state:

(1) the Section of the Indenture pursuant to which the Offer to Purchase is being made;

(2) the Expiration Date and the Purchase Date;

(3) the aggregate principal amount of the Outstanding Notes offered to be purchased by the Company pursuant to the Offer to Purchase (including, if less than 100%, the manner by which

such has been determined pursuant to the Section of the Indenture requiring the Offer to Purchase) (the "Purchase Amount");

(4) the purchase price to be paid by the Company for each $1,000 aggregate principal amount of Notes accepted for payment (as specified pursuant to the Indenture) (the "Purchase Price");

(5) that the Holder may tender all or any portion of the Notes registered in the name of such Holder and that any portion of a Note tendered must be tendered in an integral multiple of $1,000 principal amount;

(6) the place or places where Notes are to be surrendered for tender pursuant to the Offer to Purchase;

(7) that interest on any Note not tendered or tendered but not purchased by the Company pursuant to the Offer to Purchase will continue to accrue;

(8) that on the Purchase Date the Purchase Price will become due and payable upon each Note being accepted for payment pursuant to the Offer to Purchase and that interest thereon shall cease to accrue on and after the Purchase Date;

(9) that each Holder electing to tender a Note pursuant to the Offer to Purchase will be required to surrender such Note at the place or places specified in the Offer prior to the close of business on the Expiration Date (such Note being, if the Company or the Trustee so requires, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Trustee duly executed by, the Holder thereof or his attorney duly authorized in writing);

(10) that Holders will be entitled to withdraw all or any portion of Notes tendered if the Company (or its Paying Agent) receives, not later than the close of business on the Expiration Date, a telegram, telex, facsimile transmission or letter setting forth the name of the Holder, the principal amount of the Note the Holder tendered, the certificate number of the Note the Holder tendered and a statement that such Holder is withdrawing all or a portion of his tender;

(11) that if Notes in an aggregate principal amount less than or equal to the Purchase Amount are duly tendered and not withdrawn pursuant to the Offer to Purchase, the Company shall purchase all such Notes; and

(12) that in the case of any Holder whose Note is purchased only in part, the Company shall execute, and the Trustee shall authenticate and deliver to the Holder of such Note without service charge, a new Note or Notes, of any authorized denomination as requested by such Holder, in an aggregate principal amount equal to and in exchange for the unpurchased portion of the Note so tendered.

Any Offer to Purchase shall be governed by and effected in accordance with the Offer for such Offer to Purchase.

"pari passu", when used with respect to the ranking of any Debt of any Person in relation to other Debt of such Person, means that each such Debt (a) either (i) is not subordinated in right of payment to the same Debt of such Person or (ii) is subordinate in right of payment to the same Debt of such Person as is the other and is so subordinate to the same extent and (b) is not subordinate in right of payment to the other or to any Debt of such Person as to which the other is not so subordinate.

"Permitted Investments" means (a) certificates of deposit with final maturities of one year or less issued by a U.S. commercial bank or a U.S.

branch of a foreign bank or, in the case of a Foreign Subsidiary, a reputable bank in the country in which such Foreign Subsidiary operates, having capital and surplus in excess of $100 million and, in the case of a U.S. commercial bank or a U.S. branch of a foreign bank, having a peer group rating of C or better (or the equivalent thereof) by Thompson BankWatch Inc. or outstanding long-term debt rated BBB or better (or the equivalent thereof) by

Standard & Poor's Baa or better (or the equivalent thereof) by Moody's Investors Service, Inc.; (b) commercial paper rated A-1 (or the equivalent thereof) by Standard & Poor's or P-1 (or the equivalent thereof) by Moody's Investors Service, Inc.; (c) direct obligations of the United States government or a U.S. government agency; (d) repurchase agreements in respect of direct U.S. government obligations; (e) in the case of a Foreign Subsidiary, direct obligations of the sovereign and the government agencies of the country in which such foreign subsidiary operates; (f) shares of money market or equity mutual or similar funds having assets in excess of $100 million; (g) equity or debt securities rated A or better (or the equivalent thereof) by Standard & Poor's or Moody's Investors Service, Inc. of public companies which (x) are freely tradeable without restriction on a stock exchange or through a nationally recognized automated quotation system and (y) are purchased and held as current assets and not for investment and (h) any Investments made by AMETEK (Bermuda) Ltd., provided that such Investments are made as part of such Subsidiary's normal self-insurance activities and only so long as the sole business of such Subsidiary is the insuring of risks of only the Company and its other Subsidiaries.

"Preferred Stock" of any Person means Capital Stock of such Person of any class or classes (however designated) that ranks prior, as to the payment of dividends or as to the distribution of assets upon any voluntary or involuntary liquidation, dissolution or winding up of such Person, to shares of Capital Stock of any other class of such Person.

"Related Person" of any Person means any other Person directly or indirectly owning (a) 5% or more of the Outstanding Common Stock of such Person (or, in the case of a Person that is not a corporation, 5% or more of the equity interest in such Person) or (b) 5% or more of the combined voting power of the Voting Stock of such Person.

"Sale and Leaseback Transaction" of any Person means an arrangement with any lender or investor or to which such lender or investor is a party providing for the leasing by such Person of any property or asset of such Person which has been or is being sold or transferred by such Person more than 270 days after the acquisition thereof or the completion of construction or commencement of operation thereof to such lender or investor or to any person to whom funds have been or are to be advanced by such lender or investor on the security of such property or asset. The stated maturity of such arrangement shall be the date of the last payment of rent or any other amount due under such arrangement prior to the first date on which such arrangement may be terminated by the lessee without payment of a penalty.

"Significant Subsidiary" of any Person means any Subsidiary which, together with all of its Subsidiaries, would be a Significant Subsidiary within the meaning of Regulation S-X under the United States securities laws.

"Subordinated Debt" means Debt of the Company as to which the payment of principal of (and premium, if any) and interest and other payment obligations in respect of such Debt shall be subordinate to the prior payment in full of the Notes to at least the following extent: (i) no payments of principal of (or premium, if any) or interest on or otherwise due in respect of such Debt may be permitted for so long as any default in the payment of principal (or premium, if any) or interest on the Notes exists; (ii) in the event that any other default that with the passing of time or the giving of notice, or both, would constitute an event of default exists with respect to the Notes, upon notice by 25% or more in principal amount of the Notes to the Trustee, the Trustee shall have the right to give notice to the Company and the holders of such Debt (or trustees or agents therefor) of a payment blockage, and thereafter no payments of principal of (or premium, if any) or interest on or otherwise due in respect of such Debt may be made for a period of 179 days from the date of such notice; and (iii) such Debt may not (x) provide for payments of principal of such Debt at the stated maturity thereof or by way of a sinking fund applicable thereto or by way of any mandatory redemption,

defeasance, retirement or repurchase thereof by the Company (including any redemption, retirement or repurchase which is

contingent upon events or circumstances, but excluding any retirement required by virtue of acceleration of such Debt upon an event of default thereunder), in each case prior to the final Stated Maturity of the Notes or (y) permit redemption or other retirement (including pursuant to an offer to purchase made by the Company) of such other Debt at the option of the holder thereof prior to the final Stated Maturity of the Notes, other than a redemption or other retirement at the option of the holder of such Debt (including pursuant to an offer to purchase made by the Company) which is conditioned upon the change of control of the Company pursuant to provisions substantially similar to those contained in the Indenture.

"Subsidiary" of any Person means (i) a corporation more than 50% of the combined voting power of the outstanding Voting Stock of which is owned, directly or indirectly, by such Person or by one or more other Subsidiaries of such Person or by such Person and one or more Subsidiaries thereof or (ii) any other Person (other than a corporation) in which such Person, or one or more other Subsidiaries of such Person or such Person and one or more other Subsidiaries thereof, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof. For purposes of Clause (iii) of "Limitation on Restricted Payments," a joint venture of which the Company, directly or indirectly, owns 50% of the equity and voting interests and another Person (or group of Persons which acts together in relation to such joint venture) owns the other 50% of the equity and voting interests shall be deemed a Subsidiary of the Company. "Subsidiary" shall not include an Unrestricted Subsidiary created in accordance with the definition of "Unrestricted Subsidiary".

"Tangible Assets" of any Person means, at any date, the gross book value as shown by the accounting books and records of such Person of all its property, both real and personal, less (i) the net book value of all its licenses, patents, patent applications, copyrights, trademarks, trade names, goodwill, non-compete agreements or organizational expenses and other like intangibles, (ii) unamortized Debt discount and expense, (iii) all reserves for depreciation, obsolescence, depletion and amortization of its properties and (iv) all other proper reserves which in accordance with generally accepted accounting principles should be provided in connection with the business conducted by such Person; provided, however, that, with respect to the Company and its Consolidated Subsidiaries, effect shall not be given to adjustments following the date of the Indenture to the accounting books and records of the Company and its Consolidated Subsidiaries in accordance with Accounting Principles Board Opinions Nos. 16 and 17 (or successor opinions thereto) or otherwise resulting from the acquisition of control of the Company by another Person.

"Unrestricted Subsidiary" means (1) any Subsidiary designated as such by the Board of Directors as set forth below where (a) neither the Company nor any of its other Subsidiaries (other than another Unrestricted Subsidiary) (i) provides credit support for, or Guarantee of, any Debt of such Subsidiary (including any undertaking, agreement or instrument evidencing such Debt) or (ii) is directly or indirectly liable for any Debt of such Subsidiary, and (b) no default with respect to any Debt of such Subsidiary (including any right which the holders thereof may have to take enforcement action against such Subsidiary) would permit (upon notice, lapse of time or both) any holder of any other Debt of the Company and its other Subsidiaries (other than another Unrestricted Subsidiary) to declare a default on such other Debt or cause the payment thereof to be accelerated or payable prior to its final scheduled maturity, and (2) any Subsidiary of an Unrestricted Subsidiary. The Board of Directors may designate any newly acquired or newly formed Subsidiary to be an Unrestricted Subsidiary unless such Subsidiary owns any Capital Stock of, or owns or holds any Lien on any property of, any other Subsidiary of the Company which is not a Subsidiary of the Subsidiary to be so designated or otherwise an Unrestricted Subsidiary, provided, that (x) the Subsidiary to be so designated has total assets of $1 million or less or (y) immediately after giving effect to such designation, the Company could Incur at least $1.00 of additional Debt pursuant to the first paragraph under "Limitation on Company Debt" and provided, further, that the Company could make a Restricted Payment in an amount equal to the fair market value of such Subsidiary pursuant to the provisions of the Indenture described under

"Limitation on Restricted Payments" and such amount is thereafter treated as a Restricted Payment for the purpose of calculating the aggregate amount available for Restricted Payments thereunder. The Board of Directors may designate any Unrestricted Subsidiary to be a Subsidiary, provided that, immediately after giving effect to such designation, the Company could Incur at least $1.00 of additional Debt pursuant to the first paragraph under "Limitation on Company Debt." Any such designation by the Board of Directors shall be evidenced to the Trustee by filing with the Trustee a certified copy of the resolution of the Board of Directors giving effect to such designation and an Officers' Certificate certifying that such designation complied with the foregoing conditions.

"Voting Stock" of any Person means Capital Stock of such Person which ordinarily has voting power for the election of directors (or persons performing similar functions) of such Person, whether at all times or only so long as no senior class of securities has such voting power by reason of any contingency.

"Wholly Owned Subsidiary" of any Person means a Subsidiary of such Person all of the outstanding Capital Stock or other ownership interests of which (other than directors' qualifying shares) shall at the time be owned by such Person or by one or more Wholly Owned Subsidiaries of such Person or by such Person and one or more Wholly Owned Subsidiaries of such Person. For purposes of this definition, AMETEK Hong Kong shall be deemed to be a Wholly Owned Subsidiary of the Company so long as the Company owns, directly or indirectly, at least 98% of the outstanding capital stock and voting interests thereof.

EVENTS OF DEFAULT

The following will be Events of Default under the Indenture: (a) failure to pay principal of (or premium, if any, on) any Note when due; (b) failure to pay any interest on any Note when due, continued for 30 days; (c) default in the payment of principal and interest on Notes required to be purchased pursuant to an Offer to Purchase as described under "Change of Control" when due and payable; (d) failure to perform or comply with the provisions described under "Merger, Consolidation and Certain Sales of Assets"; (e) failure to perform any other covenant or agreement of the Company under the Indenture or the Notes continued for 30 days after written notice to the Company by the Trustee or Holders of at least 25% in aggregate principal amount of Outstanding Notes; (f) default under the terms of any instrument evidencing or securing Debt for money borrowed by the Company or any Significant Subsidiary having an outstanding principal amount of $10 million individually or in the aggregate which results in the acceleration of the payment of such Debt which acceleration remains uncured for 10 days or constitutes the failure to pay any portion of principal of such Debt when due at the final maturity of such Debt; (g) the rendering of a final judgment or judgments (not subject to appeal) against the Company or any Significant Subsidiary in an amount in excess of $10 million which remains undischarged or unstayed for a period of 60 days after the date on which the right to appeal has expired; and (h) certain events of bankruptcy, insolvency or reorganization affecting the Company or any Significant Subsidiary. ((S) 501) Subject to the provisions of the Indenture relating to the duties of the Trustee in case an Event of Default (as defined) shall occur and be continuing, the Trustee will be under no obligation to exercise any of its rights or powers under the Indenture at the request or direction of any of the Holders, unless such Holders shall have offered to the Trustee reasonable indemnity. ((S) 603) Subject to such provisions for the indemnification of the Trustee, the Holders of a majority in aggregate principal amount of the Outstanding Notes will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on the Trustee. ((S) 512)

If an Event of Default (other than an Event of Default described in Clause (h) above) shall occur and be continuing, either the Trustee or the Holders of at least 25% in aggregate principal amount of the Outstanding Notes may accelerate the maturity of all Notes; provided, however, that after such acceleration, but before a judgment or decree based on acceleration, the Holders of a majority in

aggregate principal amount of Outstanding Notes may, under certain circumstances, rescind and annul such acceleration if all Events of Default, other than the non-payment of accelerated principal, have been cured or waived as provided in the Indenture. If an Event of Default specified in Clause (h) above occurs, the Outstanding Notes will ipso facto become immediately due and payable without any declaration or other act on the part of the Trustee or any Holder. ((S) 502) For information as to waiver of defaults, see "Modification and Waiver".

No Holder of any Note will have any right to institute any proceeding with respect to the Indenture or for any remedy thereunder, unless such Holder shall have previously given to the Trustee written notice of a continuing Event of Default (as defined) and unless also the Holders of at least 25% in aggregate principal amount of the Outstanding Notes shall have made written request, and offered reasonable indemnity, to the Trustee to institute such proceeding as trustee, and the Trustee shall not have received from the Holders of a majority in aggregate principal amount of the Outstanding Notes a direction inconsistent with such request and shall have failed to institute such proceeding within 60 days. ((S) 507) However, such limitations do not apply to a suit instituted by a Holder of a Note for enforcement of payment of the principal of and premium, if any, or interest on such Note on or after the respective due dates expressed in such Note. ((S) 508)

The Company will be required to furnish to the Trustee annually a statement as to the performance by it of certain of its obligations under the Indenture and as to any default in such performance. ((S) 1017)

DEFEASANCE

The Indenture provides that (A) if applicable, the Company will be discharged from any and all obligations in respect of the outstanding Notes other than certain obligations to transfer the Notes or (B) if applicable, the Company may omit to comply with certain restrictive covenants in the Indenture and that such omission will not be deemed to be an Event of Default under the Indenture and the Notes, in either case (A) or (B), upon irrevocable deposit with the Trustee, in trust, of money and/or U.S. Government Obligations which will provide money in an amount sufficient in the opinion of a nationally recognized firm of independent certified public accountants to pay the principal of and premium, if any, and each installment of interest, if any, on the outstanding Notes. With respect to Clause (B), the obligations under the Indenture other than with respect to such covenants and the Events of Default other than the Events of Default relating to such covenants above will remain in full force and effect. Such trust may only be established if, among other things (i) with respect to Clause (A), the Company has received from, or there has been published by, the Internal Revenue Service a ruling or there has been a change in law, which in the opinion of counsel provides that Holders of the Notes will not recognize gain or loss for Federal income tax purposes as a result of such deposit, defeasance and discharge and will be subject to Federal income tax on the same amount, in the same manner and at the same times as would have been the case if such deposit, defeasance and discharge had not occurred; or, with respect to Clause (B), the Company has delivered to the Trustee an opinion of counsel (which may be based on an IRS Ruling) to the effect that the Holders of the Notes will not recognize gain or loss for Federal income tax purposes as a result of such deposit and defeasance and will be subject to Federal income tax on the same amount, in the same manner and at the same times as would have been the case if such deposit and defeasance had not occurred; (ii) no Event of Default or event that with the passing of time or the giving of notice, or both, shall constitute an Event of Default shall have occurred or be continuing; (iii) the Company has delivered to the Trustee an opinion of counsel to the effect that such deposit shall not cause the Trustee or the trust so created to be subject to the Investment Company Act of 1940; and (iv) certain other customary conditions precedent are satisfied. (Article Twelve)

GOVERNING LAW

The Indenture and the Notes will be governed by the laws of the State of New York.

MODIFICATION AND WAIVER

Modifications and amendments of the Indenture may be made by the Company and the Trustee with the consent of the Holders of a majority in aggregate principal amount of the Outstanding Notes; provided, however, that no such modification or amendment may, without the consent of the Holder of each Outstanding Note affected thereby, (a) change the Stated Maturity of the principal of, or any installment of interest on, any Note, (b) reduce the principal amount of (or the premium) or interest on, any Note, (c) change the place or currency of payment of principal of (or premium) or interest on, any Note, (d) impair the right to institute suit for the enforcement of any payment on or with respect to any Note, (e) reduce the above-stated percentage of Outstanding Notes necessary to modify or amend the Indenture, (f) reduce the percentage of aggregate principal amount of Outstanding Notes necessary for waiver of compliance with certain provisions of the Indenture or for waiver of certain defaults, (g) modify any provisions of the Indenture relating to the modification and amendment of the Indenture or the waiver of past defaults or covenants, except as otherwise specified, or (h) following the mailing of any Offer to Purchase, modify any Offer to Purchase for the Notes required under the "Change of Control" covenant contained in the Indenture in a manner materially adverse to the Holders thereof. ((S) 902)

The Holders of a majority in aggregate principal amount of the Outstanding Notes, on behalf of all Holders of Notes, may waive compliance by the Company with certain restrictive provisions of the Indenture. ((S) 1018) Subject to certain rights of the Trustee, as provided in the Indenture, the Holders of a majority in aggregate principal amount of the Outstanding Notes, on behalf of all Holders of Notes, may waive any past default under the Indenture, except a default in the payment of principal, premium or interest or a default arising from failure to purchase any Note tendered pursuant to an Offer to Purchase. ((S) 513)

THE TRUSTEE

The Indenture provides that, except during the continuance of an Event of Default, the Trustee will perform only such duties as are specifically set forth in the Indenture. During the existence of an Event of Default, the Trustee will exercise such rights and powers vested in it under the Indenture and use the same degree of care and skill in its exercise as a prudent person would exercise under the circumstances in the conduct of such person's own affairs. ((S)(S) 601 and 605)

The Indenture and provisions of the Trust Indenture Act incorporated by reference therein contain limitations on the rights of the Trustee, should it become a creditor of the Company, to obtain payment of claims in certain cases or to realize on certain property received by it in respect of any such claim as security or otherwise. The Trustee is permitted to engage in other transactions with the Company or any Affiliate, provided, however, that if it acquires any conflicting interest (as defined in the Indenture or in the Trust Indenture Act), it must eliminate such conflict or resign. ((S) 608) It is contemplated that the Trustee will be among the lenders and one of the co-agents for the lenders under the Credit Agreement.

UNDERWRITING

Subject to the terms and conditions set forth in the Underwriting Agreement, the Company has agreed to sell to Goldman, Sachs & Co. ("Goldman Sachs"), and Goldman Sachs have agreed to purchase from the Company, the entire principal amount of the Notes.

Under the terms and conditions of the Underwriting Agreement, Goldman Sachs are committed to take and pay for all of the Notes, if any are taken.

Goldman Sachs propose to offer the Notes in part directly to retail purchasers at the initial public offering price set forth on the cover page of this Prospectus and in part to certain dealers at such price less a concession of % of the principal amount of the Notes. Goldman Sachs may allow, and such dealers may reallow, a concession not to exceed % of the principal amount of the Notes to certain brokers and dealers. After the Notes are released for sale to the public, the offering price and other selling terms may from time to time be varied by Goldman Sachs.

The Notes are a new issue of securities with no established trading market.

The Company has been advised by Goldman Sachs that they intend to make a market in the Notes but are not obligated to do so and may discontinue market making at any time without notice. No assurance can be given as to the liquidity of the trading market for the Notes. The Notes have been approved for listing on the New York Stock Exchange, subject to notice of issuance.

The Company has agreed to indemnify Goldman Sachs against certain liabilities, including liabilities under the Securities Act.

If the Company proceeds with a tender offer in connection with the repurchase of its outstanding shares of Common Stock, Goldman Sachs may serve as Dealer Managers for such tender offer.

VALIDITY OF NOTES

The validity of the Notes will be passed upon for the Company by Stroock & Stroock & Lavan, New York, New York, general counsel to the Company, and for Goldman Sachs by Sullivan & Cromwell, New York, New York. Such counsel will express no opinion as to federal or state laws relating to fraudulent transfers. See "Risk Factors--Fraudulent Conveyance."

Lewis G. Cole, a Director of the Company, is a member of Stroock & Stroock & Lavan and beneficially owns 10,000 shares and is a co-trustee of trusts owning, collectively, 682,088 shares of the Company's Common Stock. See "Management." Wallace E. Cowan, Of Counsel to Stroock & Stroock & Lavan, retired as a Director and Secretary of the Company, effective April 27, 1993, and is the beneficial owner of 16,000 shares of the Company's Common Stock.

EXPERTS

The consolidated financial statements of Ametek at December 31, 1993 and 1992, and for each of the three years in the period ended December 31, 1993, appearing in this Prospectus and Registration Statement have been audited by Ernst & Young, independent auditors, as set forth in their reports thereon appearing elsewhere herein and in the Registration Statement, and are included in reliance upon such reports given upon the authority of such firm as experts in accounting and auditing.

AMETEK, INC.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

REPORT OF INDEPENDENT AUDITORS

We have audited the accompanying consolidated balance sheets of AMETEK, Inc. as of December 31, 1993 and 1992, and the related consolidated statements of income and cash flows for each of the three years in the period ended December 31, 1993. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence

supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of AMETEK, Inc. at December 31, 1993 and 1992, and the consolidated results of its operations and its cash flows for each of the three years in the period ended December 31, 1993, in conformity with generally accepted accounting principles.

Ernst & Young

Philadelphia, PA

February 9, 1994

AMETEK, INC.

CONSOLIDATED STATEMENT OF INCOME
(DOLLARS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

	YEAR ENDED DECEMBER 31,		
	1993	1992	1991
Net sales	$ 732,195	$ 769,550	$ 715,099
Expenses:			
Cost of sales, excluding depreciation (Note 2)	582,001	583,357	546,479
Selling, general and administrative	76,759	77,690	74,038
Depreciation	28,277	29,360	28,277
Resizing and restructuring charges (Note 2)	45,089	--	--
	732,126	690,407	648,794
Operating income	69	79,143	66,305
Other income (expenses):			
Interest expense	(17,603)	(19,721)	(22,079)
Other, net (Note 11)	6,337	7,297	8,152
Income (loss) before income taxes	(11,197)	66,719	52,378
Provision for (benefit from) income taxes (Note 8)	(3,865)	22,362	14,392
Net income (loss)	$ (7,332)	$ 44,357	$ 37,986
Earnings (loss) per share	$ (.17)	$ 1.01	$ .87
Average common shares outstanding	43,901,767	44,095,057	43,887,631

See accompanying notes.

AMETEK, INC.

CONSOLIDATED BALANCE SHEET
(DOLLARS IN THOUSANDS)

	DECEMBER 31,	
	1993	1992
ASSETS		
Current assets:		
Cash and cash equivalents (Notes 1 and 10)	$ 40,468	$ 59,138
Marketable securities (Notes 1 and 10)	44,191	56,480
Receivables, less allowance for possible losses of $2,399 in 1993 and $2,392 in 1992	108,068	107,130
Inventories (Notes 1 and 4)	91,894	91,043
Deferred income taxes (Note 8)	13,346	8,350
Other current assets	4,100	5,684
Total current assets	302,067	327,825
Property, plant and equipment, net (Note 4)	184,809	185,997
Other assets (Notes 4, 9 and 10)	75,787	89,267
	$562,663	$603,089
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 54,374	$ 55,558
Income taxes (Note 8)	11,136	8,333
Accrued liabilities (Note 4)	87,851	53,980
Current portion of long-term debt	14,543	19,749
Total current liabilities	167,904	137,620
Long-term debt (Notes 5, 10 and 12)	172,429	187,173
Deferred income taxes and credits (Note 8)	27,948	42,731
Other long-term liabilities (Note 9)	29,056	25,293
Stockholders' equity: (Notes 6 and 12)		
Preferred stock, $1.00 par value, authorized: 5,000,000 shares; none issued	--	--
Common stock, $1.00 par value, authorized: 100,000,000 shares; issued: 1993 and 1992--46,414,317 shares	46,414	46,414
Capital in excess of par value	6,389	5,679
Retained earnings	161,297	193,724
	214,100	245,817
Net unrealized losses	(21,632)	(16,429)
Less: Cost of shares held in treasury: 1993--2,774,672; 1992--2,199,672 shares	(27,142)	(19,116)
Total stockholders' equity	165,326	210,272
	$562,663	$603,089

See accompanying notes.

AMETEK, INC.

CONSOLIDATED STATEMENT OF CASH FLOWS
(DOLLARS IN THOUSANDS)

	YEAR ENDED DECEMBER 31,		
	1993	1992	1991
Cash provided by (used for):			
Operating activities:			
Net income (loss)	$ (7,332)	$ 44,357	$ 37,986
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation and amortization	35,907	37,263	36,455

Deferred income taxes and credits.....	(19,970)	1,814	2,850
Resizing, restructuring and other unusual charges.....	50,898	--	--
Changes in operating working capital:			
(Increase) decrease in receivables.....	(633)	2,940	(11,754)
(Increase) decrease in inventories and other current assets.....	(1,035)	2,969	10,310
Increase (decrease) in payables, accruals and income taxes.....	8,704	(5,228)	11,374
Other.....	(1,288)	(5,529)	(4,034)
Total operating activities.....	65,251	78,586	83,187
Investing activities:			
Additions to property, plant and equipment.....	(38,324)	(23,990)	(18,808)
Purchase of businesses and investments.....	(16,585)	(16,992)	(25,526)
Decrease (increase) in marketable securities...	14,998	15,965	(40,118)
Proceeds from sale of investments.....	7,795	12,806	9,778
Other.....	244	781	(2,984)
Total investing activities.....	(31,872)	(11,430)	(77,658)
Financing activities:			
Cash dividends paid.....	(25,095)	(29,991)	(28,990)
Additional long-term borrowings.....	--	3,755	--
Repayment of long-term debt.....	(19,411)	(20,041)	(23,785)
Net change in short-term borrowings.....	--	--	(5,608)
Purchase of treasury stock.....	(8,878)	--	--
Proceeds from issuance of common stock.....	1,335	3,388	831
Total financing activities.....	(52,049)	(42,889)	(57,552)
(Decrease) increase in cash and cash equivalents.	(18,670)	24,267	(52,023)
Cash and cash equivalents:			
Beginning of year.....	59,138	34,871	86,894
End of year.....	$ 40,468	$ 59,138	$ 34,871

See accompanying notes.

AMETEK, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES

Basis of Consolidation

The consolidated financial statements include the accounts of the Company and subsidiaries, after elimination of all significant intercompany transactions in consolidation.

Cash Equivalents, Securities and Other Investments

All highly liquid investments with maturities of three months or less when purchased are cash equivalents. Cash equivalents and fixed income marketable securities (primarily U.S. Government securities), are carried at the lower of cost or market. Marketable equity investments of an insurance subsidiary are carried at market value, and unrealized gains and losses are recognized in stockholders' equity. Other fixed income investments are carried at cost, which approximates market.

Inventories

Inventories are stated at the lower of cost or market, cost being determined principally by the last-in, first-out (LIFO) method of inventory valuation, and market on the basis of the lower of replacement cost or estimated net proceeds from sales. The excess of the first-in, first-out (FIFO) method over the LIFO value was $29.4 million and $29.9 million at December 31, 1993 and 1992.

Property, Plant and Equipment

Property, plant and equipment are stated at cost. Expenditures for additions to plant facilities, or which extend their useful lives, are capitalized. The cost of tools, jigs and dies, and maintenance and repairs are charged to operations as incurred. Depreciation of plant and equipment is calculated principally on a straight-line basis over the estimated useful lives of the related assets.

Research and Development

Company-funded research and development costs are charged to operations as incurred and during the past three years were: 1993-$15.1 million, 1992-$14.7 million, and 1991-$12.1 million.

Foreign Currency Translation

Assets and liabilities of foreign operations are translated using exchange rates in effect at the balance sheet date, and their operations are translated using average exchange rates for the period.

Some transactions of the Company and its subsidiaries are made in currencies other than their own. Gains and losses from these transactions (not material in amount) are included in operating results for the period. Additionally, foreign exchange contracts and foreign currency options are sometimes used to hedge firm commitments for certain export sales transactions. Gains and losses from these agreements are deferred and reflected as adjustments of the associated export sales.

Earnings Per Share

Earnings per share are based on the average number of common shares outstanding during the period. No material dilution of earnings per share would result for the periods if it were assumed that all outstanding stock options were exercised.

Reclassifications

Certain amounts in the prior years' financial statements and supporting footnote disclosures have been reclassified to conform to the current year's presentation.

2. BUSINESS RESTRUCTURING AND OTHER UNUSUAL CHARGES

Results of operations for 1993 includes charges of $45.1 million ($27.5 million after tax, or $.63 per share) for costs associated with resizing and restructuring several of the Company's businesses and a charge of $9.8 million ($6 million after tax, or $.14 per share) for other unusual expenses. Most of the charges were recorded in the fourth quarter of 1993. These charges were for planned work force reductions and those which occurred in 1993 (including certain pension related costs) ($21.4 million); asset write-downs ($15.0 million); relocation of certain product lines and overall consolidation of the Company's aerospace operations ($14.2 million); and other unusual expenses ($4.3 million). The resizing and restructuring charges primarily relate to the unwillingness of the union at a Precision Instruments facility in Sellersville, Pennsylvania to agree on wage and work rule concessions requested by the Company necessary to make that operation competitive.

3. ACQUISITIONS

In March 1993, the Company purchased certain assets of Revere Aerospace Inc. ("Revere"), a United States subsidiary of Dobson Park Industries PLC, United Kingdom, for approximately $7.0 million in cash. Revere is a producer of thermocouple and fiber optic cable assemblies.

In February 1992, the Company purchased the Tencal operations of Cambridge-Lee Industries. Tencal is a producer of small electric motors and injection-

molded plastic components. In August 1992, the Company purchased the industrial filtration operation of Eurofiltec, Ltd. Early in October 1992, the Company purchased Debro Messtechnik GmbH, an instrument manufacturer located in Germany. Also, during 1992, the Company acquired two product lines consisting of silica fiber technology, and consumer filtration products. The cost of these acquisitions was $11.7 million and the Company assumed $3.8 million in debt.

In April 1991, the Company purchased Jofra Instruments, a Danish producer of temperature calibration equipment, and acquired the remaining 38% interest in Elettromotori Crema, one of its Italian electric motor manufacturers. Also, during 1991, the Company purchased product lines of consumer drinking water filters and custom-shaped alloy wire. The aggregate cost of these acquisitions was $10.5 million in cash and a two-year, 10% installment obligation of $4.5 million.

All of the above acquisitions have been accounted for by the purchase method and, accordingly, the results of their operations are included from the respective acquisition dates. The above acquisitions would not have had a material effect on sales or earnings for 1993, 1992 or 1991 had they been made at the beginning of the year prior to their acquisition.

4. BALANCE SHEET INFORMATION

	(IN THOUSANDS)	
	1993	1992
INVENTORIES		
Finished goods and parts	$ 32,410	$ 35,064
Work in process	23,683	22,873
Raw materials and purchased parts	35,801	33,106
	$ 91,894	$ 91,043
PROPERTY, PLANT AND EQUIPMENT		
Land	$ 7,926	$ 7,799
Buildings	95,393	89,211
Machinery and equipment	281,116	269,189
	384,435	366,199
Less accumulated depreciation	(199,626)	(180,202)
	$ 184,809	$ 185,997
OTHER ASSETS		
Intangibles, at cost:		
Patents	$ 28,083	$ 27,993
Excess of cost over net assets acquired	15,976	18,767
Other acquired intangibles	40,284	39,127
Less accumulated amortization	(46,358)	(38,980)
	37,985	46,907
Investments	23,755	19,919
Other	14,047	22,441
	$ 75,787	$ 89,267

Patents are being amortized on a straight-line basis over 7 to 14 years. The excess of cost over net assets acquired is being amortized on a straight-line basis over 20 to 30 years. Other acquired intangibles are being amortized on a straight-line basis over 2 to 30 years.

ACCRUED LIABILITIES		
Accrued employee compensation and benefits	$ 19,109	$ 19,657
Resizing and restructuring	24,471	--

Accrued interest	4,928	5,744
Other	39,343	28,579
	$ 87,851	$ 53,980

5. LONG-TERM DEBT

At December 31, 1993 and 1992, long-term debt consisted of:

	(IN THOUSANDS)	
	1993	1992
8.95% notes payable due 1995 to 2001	$ 93,500	$ 106,750
9.35% notes payable due 1995 to 2004	75,000	75,000
Other, due in varying amounts to 2004	3,929	5,423
	$ 172,429	$ 187,173

The annual future payments required by the terms of the long-term debt for the following years are: 1995-$21.3 million; 1996-$21.3 million; 1997-$21.1 million; and 1998-$21.1 million. The Company's debt agreements contain restrictions relating to total debt, working capital, dividends and capital stock repurchases. At December 31, 1993, the Company was in compliance with these restrictions. (See Note 12 "Other Matters.")

The Company has a revolving credit agreement with a group of banks providing for up to $83 million effective until June 30, 1995. No borrowings are outstanding under this agreement. The agreement provides for various interest alternatives and a commitment fee on the unused portion of the credit line. (See Note 12 "Other Matters.") In addition, the Company maintains lines of credit in other currencies with various European banks in amounts equivalent to $12.1 million, in the aggregate, at December 31, 1993.

At December 31, 1993, the Company was a party to a currency and interest rate swap agreement related to debt (not material in amount), which matures in 1997, of a European subsidiary.

6. STOCKHOLDERS' EQUITY

The Company has a Shareholder Rights Plan, under which the Board of Directors declared a dividend of one Right for each share of Company common stock owned. The Plan provides, under certain conditions involving acquisition of the Company's common stock, that holders of Rights, except for the acquiring entity, would be entitled (i) to purchase shares of preferred stock at a specified exercise price, or (ii) to purchase shares of common stock of the Company, or the acquiring company, having a value of twice the Rights exercise price. The Rights under the Plan expire in 1999.

The Company provides, among other things, for restricted stock awards of common stock to eligible employees and nonemployee directors of the Company at such cost to the recipient as the Stock Incentive Plan Committee of the Board of Directors may determine. These shares are issued subject to certain conditions, and transfer and other restrictions as prescribed by the Plan. In 1993 and 1991, respectively, the Company awarded 20,000 shares and 100,000 shares of restricted common stock to certain directors under the Plan. No restricted stock was awarded during 1992. Also, in 1991, a total of 68,272 shares of restricted common stock was awarded to certain executives of the Company in accordance with a supplemental pension benefit arrangement. Upon issuance of restricted stock, unearned compensation, equivalent to the excess of the market value of the shares awarded over the price paid by the recipient at the date of the grant, is charged to stockholders' equity and is amortized to expense over the periods until the restrictions lapse. Amortization charged to expense in 1993, 1992, and 1991 was not significant.

At December 31, 1993, 4,732,053 (5,442,993 in 1992) shares of common stock

were reserved under the Company's incentive and nonqualified stock option plans. The options are exercisable at prices not less than market value on dates of grant, and in installments over five- to seven-year periods from such dates.

Information on options for 1993 follows:

	PRICE RANGE	SHARES
Outstanding at beginning of year	$ 8.94-$16.50	2,116,289
Granted	13.13- 14.94	93,000
Exercised	11.69- 14.06	(136,973)
Cancelled	11.69- 15.75	(26,091)
Outstanding at end of year (expiring from 1994 through 2000)	$ 8.94-$16.50	2,046,225
Exercisable at end of year	$ 8.94-$16.50	1,344,215

Options on 259,486 shares were exercised in 1992 and no options were exercised in 1991.

The Company also has outstanding 293,502 stock appreciation rights exercisable for cash and/or shares of the Company's common stock when the related option is exercised. Subject to certain limitations, each right relates to the excess of the market value of the Company's stock over the exercise price of the related option. Charges and credits, immaterial in amount, are made to income for these rights and certain related options.

Changes in stockholders' equity are summarized below (In thousands):

	COMMON STOCK, $1 PAR VALUE	CAPITAL IN EXCESS OF PAR VALUE	RETAINED EARNINGS	NET UNREALIZED GAINS (LOSSES)	TREASURY STOCK
BALANCE, DECEMBER 31, 1990	$46,414	$3,598	$170,362	$ 1,498	$(22,460)
Employee savings plan (59,000 shares)		236			494
Net income			37,986		
Cash dividends paid ($.66 per share)			(28,990)		
Currency translation				1,179	
Restricted stock awards (168,272 shares)		594			379
Adjustment of pension liability in excess of unrecognized prior service cost, net of deferred taxes				189	
BALANCE, DECEMBER 31, 1991	46,414	4,428	179,358	2,866	(21,587)
Employee stock options and savings plan (255,151 shares)		1,251			2,137
Net income			44,357		

Cash dividends paid ($.68 per share).....			(29,991)		
Currency translation....				(16,127)	
Amortization of restricted stock awards.....					334
Adjustment of pension liability in excess of unrecognized prior service cost, net of deferred taxes.....				(3,168)	
BALANCE, DECEMBER 31, 1992.....	46,414	5,679	193,724	(16,429)	(19,116)
Employee Stock Options and Savings Plan (88,400 shares).....		571			744
Net loss.....			(7,332)		
Cash dividends paid ($.57 per share).....			(25,095)		
Currency translation....				(7,958)	
Restricted stock awards (20,000 shares).....		139			(119)
Amortization of restricted stock awards.....					227
Purchase of treasury stock (683,400 shares).					(8,878)
Appreciation in marketable securities and other financial instruments, net of deferred taxes.....				3,262	
Adjustment of pension liability in excess of unrecognized prior service cost, net of deferred taxes.....				(507)	
BALANCE AT DECEMBER 31, 1993.....	$46,414	$6,389	$161,297	$(21,632)	$(27,142)

7. LEASES

Minimum aggregate rental commitments under noncancellable leases in effect at December 31, 1993 (principally for real property, office space and equipment) amounted to $4.9 million consisting of annual payments of $2.4 million due in 1994, $1.8 million in 1995 and decreasing amounts thereafter. Rental expense of $5 million, $4 million and $4.1 million was charged to income in 1993, 1992 and 1991.

8. INCOME TAXES

In 1993, income before income taxes from foreign operations amounted to $6.7 million ($9.1 million in 1992 and $4.9 million in 1991).

The details of the provision for (benefit from) income taxes follow:

	(IN THOUSANDS)		
	1993	1992	1991

Federal	$(7,125)	$16,357	$13,288
State	(863)	1,327	2,547
Foreign	4,123	4,678	(1,443)*
	$(3,865)	$22,362	$14,392

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*Includes the favorable tax effect of combining certain foreign operations.

The provision for (benefit from) income taxes shown above includes a current provision of $14,791, $20,435 and $14,284 and a deferred provision (benefit) of $(18,656), $1,927 and $108 for 1993, 1992 and 1991.

Prior to January 1, 1992, the Company followed the provisions of SFAS No. 96, Accounting for Income Taxes. Effective January 1, 1992, the Company adopted the provisions of a new accounting standard for income taxes (SFAS No. 109). The effect of adopting this standard was not material.

Significant components of the Company's deferred tax (asset) liability as of December 31 are as follows:

	(IN THOUSANDS)	
	1993	1992
Current deferred tax assets:		
Reserves not currently deductible	$(13,235)	$(8,142)
Other	(111)	(208)
Net current deferred tax asset	(13,346)	(8,350)
Long-term deferred tax (assets) liabilities:		
Differences in basis of property and accelerated depreciation	23,056	23,220
Purchased tax benefits	17,654	18,452
Reserves not currently deductible	(17,015)	(3,763)
Other	4,253	4,822
Net long-term deferred tax liability	27,948	42,731
Net deferred tax liability	$ 14,602	$34,381

The effective rate of the provision for (benefit from) income taxes reconciles to the statutory rate as follows:

	1993	1992	1991
Statutory rate	(35.0)%	34.0%	34.0%
State income taxes, net of federal income tax benefit	(5.0)	2.2	2.8
Foreign Sales Corporation and other tax credits	(15.0)	(2.4)	(2.9)
Effect of foreign operations	15.0	1.1	(6.8)
Effect of U.S. federal statutory tax rate increase on prior years' deferred taxes	5.9	--	--
Other	(0.4)	(1.4)	0.4
	(34.5)%	33.5%	27.5%

9. RETIREMENT AND PENSION PLANS

The Company maintains noncontributory defined benefit retirement and pension plans, with benefits for eligible United States salaried and hourly employees funded through trusts established in conjunction with these plans. Employees of certain foreign operations participate in various local plans which in the aggregate are not significant.

The Company also has nonqualified unfunded retirement plans for its directors and certain retired employees, and contractual arrangements with certain executives that provide for supplemental pension benefits in excess of those provided by the Company's primary pension plan. Fifty percent of the projected benefit obligation of the supplemental pension benefit arrangements with the executives has been funded by grants of restricted shares of the Company's common stock. The remaining 50% is unfunded. The Company is providing for these arrangements by charges to earnings over the periods to age 65 of the participants.

The Company's funding policy with respect to its qualified plans is to contribute amounts determined annually on an actuarial basis that provides for current and future benefits in accordance with funding requirements of federal law and regulations. Assets of funded benefit plans are invested in a variety of equity and debt instruments and in pooled temporary funds.

Net pension expense, excluding plan administrative expenses, consists of the following components:

	(IN THOUSANDS)		
	1993	1992	1991
Service cost for benefits earned during the period	$ 6,902	$ 6,601	$ 5,662
Interest cost on projected benefit obligation	14,374	13,106	12,108
Actual return on plan assets	(15,605)	(14,452)	(26,254)
Net amortization and deferrals	652	673	15,025
Net pension expense	$ 6,323	$ 5,928	$ 6,541

In addition to pension expense shown above, in 1993 the Company also recorded a charge for curtailments of $7.6 million related to an hourly pension plan as part of the resizing and restructuring of its general gauge and aerospace operations (see Note 2).

The charge to income for all retirement and pension plans, including the 1993 curtailment provision, was $14.4 million in 1993, $6.7 million in 1992 and $7.2 million in 1991.

Net pension expense reflects an expected long-term rate of return on plan assets of 9 1/2% for 1993, 1992 and 1991. The actual return has been adjusted to defer gains or losses which differ from the expected return. The present value of projected benefit obligations was determined using an assumed discount rate of 7 1/4% for 1993, 8.0% for 1992 and 8 1/4% for 1991. The assumed rate of compensation increase used in determining the present value of projected benefit obligations was 5 1/2% for 1993 and 1992 and 6.0% for 1991.

For pension plans with accumulated benefits in excess of assets at December 31, 1993, the balance sheet reflects an additional long-term pension liability of $11.0 million ($17.2 million--1992), a long-term intangible asset of $3.7 million ($10.8 million--1992), and a charge to stockholders' equity of $4.7 million ($4.2 million--1992 and $1.1 million--1991), net of a deferred tax benefit, representing the excess of the additional long-term liability over unrecognized prior service cost. No balance sheet recognition is given to

pension plans with assets in excess of accumulated benefits.

The Company provides limited postretirement benefits other than pensions to certain retirees, and a small number of employees. These benefits are accounted for on the accrual basis, thereby meeting accounting requirements of the new accounting standard for postretirement benefits other than pensions.

The following table sets forth the funded status of the plans:

	(IN THOUSANDS)			
	DECEMBER 31, 1993		DECEMBER 31, 1992	
	ASSETS EXCEED ACCUMULATED BENEFITS	ACCUMULATED BENEFITS EXCEED ASSETS	ASSETS EXCEED ACCUMULATED BENEFITS	ACCUMULATED BENEFITS EXCEED ASSETS
Actuarial present value of benefit obligations:				
Vested benefit obligation....	$113,823	$ 72,070	$ 95,563	$ 63,872
Accumulated benefit obligation.....	$117,875	$ 76,147	$ 98,433	$ 67,379
Projected benefit obligation.	$136,340	$ 76,437	$113,988	$ 70,250
Plan assets at fair value.....	136,923	57,839	114,229	51,924
Plan assets in excess of (less than) projected benefit obligation.....	583	(18,598)	241	(18,326)
Unrecognized prior service cost.....	2,160	2,294	1,892	6,319
Unrecognized net loss.....	9,214	8,275	11,518	8,350
Unrecognized net transition (asset) obligation, net of amortization.....	(5,433)	781	(6,637)	4,538
Prepaid (accrued) pension expense.....	$ 6,524	$ (7,248)	$ 7,014	$ 881

10. FAIR VALUE OF FINANCIAL INSTRUMENTS

The recorded amount of cash, cash equivalents and marketable securities, and a derivative equity instrument approximates fair value.

The estimated fair values of the Company's other financial instruments are compared below to the recorded amounts at December 31.

	ASSET (LIABILITY) (IN THOUSANDS)			
	DECEMBER 31, 1993		DECEMBER 31, 1992	
	RECORDED AMOUNT	ESTIMATED FAIR VALUE	RECORDED AMOUNT	ESTIMATED FAIR VALUE
Other investments.....	$ 23,755	$ 28,000	$ 19,919	$ 23,000
Long-term debt (including current portion).....	(186,972)	(208,000)	(206,922)	(212,000)

Forward currency and commodity contracts.....	--	1,600	--	11,000

The fair values of securities and other investments are based on quoted market value. The fair value of long-term debt is estimated based on borrowing rates currently available to the Company for loans with similar terms and maturities. The fair value of forward currency and commodity contracts (used for hedging purposes) is based on quotes from brokers for comparable contracts. See also Note 12.

11. ADDITIONAL INCOME STATEMENT AND CASH FLOW INFORMATION

Included in other income, net, is interest and other investment income of $8.4 million, $8.6 million and $11.2 million for 1993, 1992 and 1991. Income taxes paid in 1993, 1992 and 1991 were $13.8 million, $21.8 million, and $13.0 million. Cash paid for interest for each of the three years approximated interest expense.

12. OTHER MATTERS

The Company is in the process of implementing a plan intended to enhance shareholder value, announced in November 1993. The financial elements of the plan involve the Company 1) completing an offering of $150 million in principal amount of Senior Notes to the public, 2) borrowing $175 million under a proposed $250 million secured credit agreement with a group of banks which will replace an existing revolving credit agreement, 3) retiring existing debt aggregating $185.4 million in principal amount for a payment equal to the principal amount thereof plus a prepayment premium of approximately $13 million (after tax), 4) repurchasing outstanding shares of its common stock for an aggregate purchase price of up to $150 million and 5) reducing its quarterly dividend rate on its common stock from $.17 per share to $.06 per share.

In contemplation of its repurchase of common stock, the Company has, from time to time, entered into derivative instruments with a third party. Under the terms of the derivative instruments, for a specific number of shares, the Company is at risk for a decline in the market price of the Company's common stock from the inception to the expiration date, at which time the instruments will be settled in cash. As of December 31, 1993, the Company had entered into derivative instruments which were measured by the movement in market value of 3,184,500 shares of common stock. At December 31, 1993, the Company has recorded, in its equity, the effect of marking the derivative instruments to market.

In February 1994, the Company settled all open derivative instruments for approximately $330,000 (including those entered into in January 1994) and entered into a new derivative instrument which will expire on May 31, 1994. Under the new derivative instrument, the Company, prior to April 5, 1994, may exercise an option to purchase 3,924,200 shares of its common stock from the counterparty for $12.125 per share plus certain costs. If the option is not exercised, the Company is at risk for a decline in the average market price, as defined, of its common stock based upon 3,924,200 shares of common stock.

13. SEGMENT AND GEOGRAPHIC INFORMATION

The Company classifies its operations into three business segments: Electro-mechanical, Precision Instruments and Industrial Materials.

The Electro-mechanical Group produces motor-blower systems and injection-molded components for manufacturers of floor care appliances, and fractional horsepower motors and motor-blowers for computer, business machine, medical equipment and high-efficiency heating equipment producers. Sales of fractional horsepower electric motors and blowers represented 38% in 1993 (39% in 1992 and 35% in 1991) of the Company's consolidated net sales.

The Precision Instruments Group produces aircraft cockpit instruments and displays, and pressure, temperature, flow and liquid level sensors for

aircraft and jet engine manufacturers and for airlines, as well as airborne electronics systems to monitor and record flight and engine data. The group also produces instruments and complete instrument panels for heavy truck builders, process monitoring and display systems, combustion, gas analysis, moisture and emissions monitoring systems, force and speed measuring instruments, air and noise monitors, pressure and temperature calibrators and pressure-indicating and digital manometers. The Precision Instruments Group has for many years been a leading producer of the widely used mechanical pressure gauge.

The Industrial Materials Group produces high-temperature-resistant materials and textiles, corrosion-resistant heat exchangers, tanks and piping for process systems; ultralightweight foam sheet packaging material; drinking water filter and treatment systems; industrial and commercial filters for other liquids; replacement filter cartridges, liquid bag filters and multiple cartridge filter housings, high-purity metals and alloys in powder, strip and wire form for high-performance aircraft, automotive and electronics requirements; and thermoplastic compounds and concentrates for automotive, appliance and telecommunication applications.

SEGMENT AND GEOGRAPHIC FINANCIAL INFORMATION

(IN THOUSANDS)

Business Segments

		ELECTRO-MECHANICAL	PRECISION INSTRUMENTS	INDUSTRIAL MATERIALS	CORPORATE	TOTAL CONSOLIDATED
Net sales(1)	1993	$280,732	$275,351	$176,112		$732,195
	1992	309,556	297,025	162,969		769,550
	1991	249,763	309,901	155,435		715,099
Segment operating profit (loss) and consolidated income (loss) before income taxes(2)	1993	35,018	(30,643)(3)	18,284(4)	$(33,856)(5)	(11,197)
	1992	49,912	28,045	22,096	(33,334)(5)	66,719
	1991	35,363	32,914	20,332	(36,231)(5)	52,378
Identifiable assets	1993	164,826	150,122	103,941	143,774	562,663
	1992	157,158	177,143	102,385	166,403	603,089
	1991	169,173	189,164	101,240	152,896	612,473
Additions to property, plant and equipment(6)	1993	25,343	6,513	9,048	218	41,122
	1992	20,706	7,417	5,170	236	33,529
	1991	11,735	6,917	5,969	82	24,703
Depreciation and amortization	1993	11,582	15,432	8,726	167	35,907
	1992	12,107	15,979	8,976	201	37,263
	1991	11,169	15,705	9,399	182	36,455

Geographic Areas

			INTERNATIONAL			
		UNITED STATES	EUROPE	CANADA, ASIA AND OTHER	CORPORATE	TOTAL CONSOLIDATED
Net sales(1).....	1993	$634,935	$ 96,030	$ 1,230		$732,195
	1992	655,114	113,111	1,325		769,550
	1991	614,890	98,378	1,831		715,099

Income (loss) before income taxes	1993	15,473	7,357	(171)	$(33,856)	(11,197)
	1992	87,665	12,601	(213)	(33,334)	66,719
	1991	81,531	6,855	223	(36,231)	52,378
Identifiable assets	1993	334,538	83,774	577	143,774	562,663
	1992	342,226	93,580	880	166,403	603,089
	1991	337,171	121,170	1,236	152,896	612,473
United States export sales(7)	1993		51,179	54,500		105,679
	1992		65,132	54,171		119,303
	1991		59,612	52,023		111,635

- --------

(1) After elimination of intersegment sales and intercompany sales between geographic areas, which are not significant in amount. Such sales are generally priced based on prevailing market prices.

(2) Segment operating profit represents sales less all direct costs and expenses (including certain administrative and other expenses) applicable to each segment, but does not include interest expense.

(3) Reflects charges of $47.8 million for resizing and restructuring costs associated with planned work force reductions and those which occurred in 1993, asset write-downs, relocation of product lines and the overall consolidation of the Company's aerospace operations, and other unusual charges.

(4) Reflects charge of $3.9 million primarily for asset write-downs.

(5) Includes unallocated administrative expenses, interest expense and net other income and, in 1993, $2.8 million of restructuring and other unusual charges.

(6) Includes $2.8 million in 1993, $9.5 million in 1992, and $5.9 million in 1991 from acquired businesses.

(7) Included in total United States sales above.

14. QUARTERLY FINANCIAL DATA (UNAUDITED)

(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	TOTAL YEAR
1993					
Net sales	$187,114	$186,820	$175,003	$183,258	$732,195
Operating income (loss)	$ 12,514	$ 12,629	$ 6,490	$(31,564)(a)	$ 69
Net income (loss)	$ 6,096	$ 6,222	$ 1,980	$(21,630)(a)	$(7,332)
Earnings (loss) per share	$ 0.14	$ 0.14	$ 0.05	$ (0.50)(a)	$ (0.17)
Dividends paid per share	$ 0.17	$ 0.17	$ 0.17	$ 0.06	$ 0.57
Common stock trading range:(b)					
High	17 1/2	17 1/2	14 1/8	14 1/8	17 1/2
Low	14 1/4	12 7/8	12 5/8	10 5/8	10 5/8
1992					
Net sales	$196,759	$195,323	$185,996	$191,472	$769,550

Operating income.....	$ 21,460	$ 20,618	$ 18,017	$ 19,048	$ 79,143
Net income.....	$ 11,261	$ 11,808	$ 10,708	$ 10,580	$ 44,357
Earnings per share.....	$ 0.26	$ 0.26	$ 0.25	$ 0.24	$ 1.01
Dividends paid per share...	$ 0.17	$ 0.17	$ 0.17	$ 0.17	$ 0.68
Common stock trading range:(b)					
High.....	17 3/8	18 1/8	16	16 3/8	18 1/8
Low.....	13 1/8	15 1/8	14 5/8	13 7/8	13 1/8

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(a) Includes pre-tax charges of $46.9 million ($28.6 million after tax or $.66 per share) for restructuring and other unusual items.

(b) Trading ranges are based on the New York Stock Exchange composite tape.

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NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS OTHER THAN THOSE CONTAINED IN THIS PROSPECTUS, AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED. THIS PROSPECTUS DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY ANY SECURITIES OTHER THAN THE SECURITIES TO WHICH IT RELATES OR ANY OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY SUCH SECURITIES IN ANY CIRCUMSTANCES IN WHICH SUCH OFFER OR SOLICITATION IS UNLAWFUL. NEITHER THE DELIVERY OF THIS PROSPECTUS NOR ANY SALE MADE HEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE COMPANY SINCE THE DATE HEREOF OR THAT THE INFORMATION CONTAINED HEREIN IS CORRECT AS OF ANY TIME SUBSEQUENT TO ITS DATE.

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$150,000,000

[LOGO OF AMETEK, INC. APPEARS HERE]

% SENIOR NOTES

DUE 2006

PROSPECTUS

GOLDMAN, SACHS & CO.

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PART II. INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 14. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION

The fees and expenses in connection with the issuance and distribution of the securities being registered hereunder, other than underwriting discounts and commissions, are estimated as follows:

Securities and Exchange Commission registration fee	$ 51,724.50
National Association of Securities Dealers, Inc. filing fee	15,500.00
Rating Agency fees	82,500.00
Printing and engraving expenses	222,500.00
Legal fees and expenses	275,000.00
Accounting fees and expenses	168,000.00
Blue Sky fees and expenses	18,000.00
Trustee's fees and expenses	15,750.00
Miscellaneous	51,025.50
Total	$900,000.00

ITEM 15. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

Section 145 of the General Corporation Law of the State of Delaware (the "DGCL") provides, in summary, that directors and officers of Delaware corporations are entitled, under certain circumstances, to be indemnified against all expenses and liabilities (including attorneys' fees) incurred by them as a result of suits brought against them in their capacity as a director or officer, if they acted in good faith and in a manner they reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe their conduct was unlawful; provided, that no indemnification may be made against expenses in respect of any claim, issue or matter as to which they shall have been adjudged to be liable to the corporation, unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, they are fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper. Any such indemnification may be made by the corporation only as authorized in each specific case upon a determination by the stockholders or disinterested directors that indemnification is proper because the indemnitee has met the applicable standard of conduct.

Article Eighth of the Registrant's Certificate of Incorporation provides

that no director shall have any personal liability to the Registrant or its stockholders for any monetary damages for breach of fiduciary duty as a director, provided, however, that such provision does not limit or eliminate the liability of any director (i) for breach of such director's duty of loyalty to the Registrant or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the DGCL (involving certain unlawful dividends or stock repurchases) or (iv) for any transaction from which such director derived an improper personal benefit.

The Registrant maintains directors' and officers' liability insurance which covers the directors and officers of the Registrant with policy limits of $75 million.

Pursuant to Indemnity Agreements between the Registrant and its directors and officers, the Registrant has agreed to indemnify such directors and officers to the fullest extent permitted by Delaware law, as the same may be amended from time to time.

ITEM 16. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES.

(a) Exhibits

1	--Form of Underwriting Agreement between the Registrant and the Underwriters.
4.1	--Form of Indenture to be dated as of , 1994 between the Registrant and Corestates Bank N.A., as Trustee (including the form of % Senior Notes due 2006).
5	--Opinion of Stroock & Stroock & Lavan as to the legality of the Notes.
12.1	--Statement Regarding Computation of Ratio of Earnings to Fixed Charges.
23.1	--Consent of Stroock & Stroock & Lavan (included in Exhibit 5).
23.2	--Consent of Ernst & Young.
24	--Power of attorney (included on p. II-4 of the Registration Statement).
25.1	--Form T-1 Statement of Eligibility and Qualification of Corestates Bank N.A.

(b) Financial Statement Schedules

Schedules for each of the three years in the period ended December 31, 1993 (except where otherwise indicated):

Report of Independent Auditors on Schedules

I	Marketable securities--Other investments at December 31, 1993
V	Property, plant and equipment
VI	Accumulated depreciation of property, plant and equipment
VIII	Allowance for possible losses
IX	Short-term borrowings
X	Supplementary income statement information

All other schedules have been omitted since the required information is not present or not present in amounts sufficient to require submission of the schedules, or because the information is included in the consolidated financial statements or notes thereto.

ITEM 17. UNDERTAKINGS.

(a) The undersigned Registrant hereby undertakes that, for purposes of determining any liability under the Securities Act, each filing of the Registrant's annual report pursuant to Section 13(a) or 15(d) of the Exchange Act (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Exchange Act) that is incorporated by reference in the registration statement shall be deemed to be a new

registration statement relating to the securities offered therein and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(b) The undersigned Registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the Registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

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

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

SIGNATURES

PURSUANT TO THE REQUIREMENTS OF THE SECURITIES ACT OF 1933, THE REGISTRANT HAS DULY CAUSED THIS AMENDMENT NO. 1 TO THIS REGISTRATION STATEMENT TO BE SIGNED ON ITS BEHALF BY THE UNDERSIGNED, THEREUNTO DULY AUTHORIZED, IN THE BOROUGH OF PAOLI, STATE OF PENNSYLVANIA, ON FEBRUARY 25, 1994.

Ametek, Inc.

By: /s/ Allan Kornfeld
ALLAN KORNFELD, EXECUTIVE VICEPRESIDENT--CHIEF FINANCIAL OFFICER

PURSUANT TO THE REQUIREMENTS OF THE SECURITIES ACT OF 1933, THIS AMENDMENT NO. 1 TO THIS REGISTRATION STATEMENT HAS BEEN SIGNED BELOW BY THE FOLLOWING PERSONS IN THE CAPACITIES AND ON THE DATE INDICATED.

SIGNATURE	TITLE	DATE
* WALTER E. BLANKLEY	Chairman of the Board and Chief Executive Officer (Principal Executive Officer)	February 25, 1994
* ROGER K. DERR	Executive Vice President-- Chief Operating Officer	February 25, 1994
* ALLAN KORNFELD	Executive Vice President-- Chief Financial Officer (Principal Financial	February 25, 1994

	Officer)	
* JOHN J. MOLINELLI	Vice President and Comptroller (Principal Accounting Officer)	February 25, 1994
* LEWIS G. COLE	Director	February 25, 1994
* HELMUT N. FRIEDLAENDER	Director	February 25, 1994
* SHELDON S. GORDON	Director	February 25, 1994
* CHARLES D. KLEIN	Director	February 25, 1994
* DAVID P. STEINMANN	Director	February 25, 1994
* ELIZABETH R. VARET	Director	February 25, 1994

* Allan Kornfeld hereby signs this Amendment No. 1 on February 25, 1994 on his own behalf and on behalf of each of the indicated persons for whom he is Attorney-in-fact pursuant to a power of attorney filed herewith.

/s/ Allan Kornfeld

By: _____

ALLAN KORNFELD

REPORT OF INDEPENDENT AUDITORS

We have audited the consolidated financial statements of AMETEK, Inc. as of December 31, 1993 and 1992, and for each of the three years in the period ended December 31, 1993, and have issued our report thereon dated February 9, 1994 (included elsewhere in this Registration Statement). Our audits also included the financial statement schedules listed in Item 16(b) of this Registration Statement. These schedules are the responsibility of the Company's management. Our responsibility is to express an opinion based on our audits.

In our opinion, the financial statement schedules referred to above, when considered in relation to the basic financial statements taken as a whole, present fairly in all material respects the information set forth therein.

Ernst & Young

Philadelphia, PA February 9, 1994

AMETEK, INC.

(B) FINANCIAL STATEMENT SCHEDULES

SCHEDULE I-- MARKETABLE SECURITIES--OTHER INVESTMENTS

DECEMBER 31, 1993

(IN THOUSANDS)

	PRINCIPAL AMOUNT	COST	AMOUNT AT WHICH CARRIED IN BALANCE SHEET
MARKETABLE SECURITIES:			
United States Government	$27,750	$27,454	$27,778
Common Stock Held by Captive Insurance Subsidiary		13,640	16,413
		$41,094	$44,191(A)
OTHER INVESTMENTS:			
U.S. and Eurodollar Bonds and Debentures	$10,154	$ 9,640	$ 9,808(B)
Equity Investments		13,947	13,947(C)
		$23,587	$23,755

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(A) Market value approximates carrying value.

(B) Market value approximates $10.9 million.

(C) Market value approximates $17.5 million.

AMETEK, INC.

(B) FINANCIAL STATEMENT SCHEDULES

SCHEDULE V--PROPERTY, PLANT AND EQUIPMENT

YEARS ENDED DECEMBER 31, 1993, 1992 AND 1991

(IN THOUSANDS)

CLASSIFICATION	BALANCE AT BEGINNING OF YEAR	ADDITIONS	SALES OR RETIREMENTS AND OTHER (A)	BALANCE AT END OF YEAR
1993:				
Buildings:				
Buildings	$ 78,427	$ 6,069	$ 3,566	$ 80,930
Improvements on land and leasehold	9,481	790	63	10,208
Construction in process	1,303	2,952	--	4,255
	89,211	9,811	3,629	95,393
Machinery and equipment:				
Machinery and equipment	230,023	20,024	13,847	236,200
Delivery equipment and automobiles	1,087	446	494	1,039
Furniture and fixtures	26,047	3,729	2,770	27,006
Construction in process	12,032	6,778	1,939	16,871
	269,189	30,977	19,050	281,116

Land.....	7,799	334	207	7,926
	$366,199	$41,122(B)	$22,886	$384,435
1992:				
Buildings:				
Buildings.....	$ 75,791	$ 6,272	$ 3,636	$ 78,427
Improvements on land and leasehold.....	8,788	711	18	9,481
Construction in process.....	261	1,044	2	1,303
	84,840	8,027	3,656	89,211
Machinery and equipment:				
Machinery and equipment.....	227,117	16,312	13,406	230,023
Delivery equipment and automobiles.....	826	393	132	1,087
Furniture and fixtures.....	22,828	4,748	1,529	26,047
Construction in process.....	9,458	2,595	21	12,032
	260,229	24,048	15,088	269,189
Land.....	6,793	1,454	448	7,799
	$351,862	$33,529(B)	$19,192	$366,199

Schedule V continues on next page.

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See notes to Schedule V and VI on page S-4.

AMETEK, INC.

(B) FINANCIAL STATEMENT SCHEDULES

SCHEDULE V -- PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

YEARS ENDED DECEMBER 31, 1993, 1992 AND 1991

(IN THOUSANDS)

CLASSIFICATION	BALANCE AT BEGINNING OF YEAR	ADDITIONS	SALES OR RETIREMENTS AND OTHER (A)	BALANCE AT END OF YEAR
1991:				
Buildings:				
Buildings.....	$ 67,877	$ 8,603	$ 689	$ 75,791
Improvements on land and leasehold.....	7,424	1,408	44	8,788
Construction in process.....	4,255	(3,993)	1	261
	79,556	6,018	734	84,840
Machinery and equipment:				
Machinery and equipment.....	215,913	14,766	3,562	227,117
Delivery equipment and automobiles.....	537	425	136	826

Furniture and fixtures	18,789	4,200	161	22,828
Construction in process	10,242	(766)	18	9,458
	245,481	18,625	3,877	260,229
Land	7,140	60	407	6,793
	$332,177	$24,703(B)	$5,018	$351,862

Depreciation of property, plant and equipment is determined principally on a straight-line basis over the estimated useful lives of the assets.

The annual ranges of depreciation rates for the above periods were:

Buildings and improvements	2 1/2% to 15%
Machinery and equipment	10% to 33 1/3%

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Notes to Schedules V and VI

(A) Other includes foreign currency translation gains (losses) for 1993, 1992 and 1991 of $(8,063), $(16,659) and $(516) for property, plant and equipment, and $(3,059), $(4,583) and $399 for accumulated depreciation of property, plant and equipment. Also in 1993, includes $7,782 for asset write-downs in connection with restructuring and other unusual operating activities.

(B) Includes $2,798, $9,539 and $5,895 in connection with businesses acquired in 1993, 1992 and 1991, respectively.

AMETEK, INC.

(B) FINANCIAL STATEMENT SCHEDULES

SCHEDULE VI--ACCUMULATED DEPRECIATION OF

PROPERTY, PLANT AND EQUIPMENT

YEARS ENDED DECEMBER 31, 1993, 1992 AND 1991

(IN THOUSANDS)

CLASSIFICATION	BALANCE AT BEGINNING OF YEAR	PROVISIONS CHARGED TO INCOME	SALES OR RETIREMENTS AND OTHER (A)	BALANCE AT END OF YEAR
1993:				
Buildings:				
Buildings	$ 27,131	$ 2,434	$ 508	$ 29,057
Improvements on land and leasehold	4,087	945	45	4,987
	31,218	3,379	553	34,044
Machinery and equipment:				
Machinery and equipment	132,367	21,140	5,633	147,874
Delivery equipment and automobiles	640	135	208	567
Furniture and fix-				

tures.....	15,977	3,623	2,459	17,141
	148,984	24,898	8,300	165,582
	$180,202	$28,277	$8,853	$199,626
1992:				
Buildings:				
Buildings.....	$ 24,603	$ 2,881	$ 353	$ 27,131
Improvements on land and leasehold.....	3,221	878	12	4,087
	27,824	3,759	365	31,218
Machinery and equipment:				
Machinery and equipment.....	116,638	20,891	5,162	132,367
Delivery equipment and automobiles.....	507	351	218	640
Furniture and fixtures.....	12,781	4,359	1,163	15,977
	129,926	25,601	6,543	148,984
	$157,750	$29,360	$6,908	$180,202
1991:				
Buildings:				
Buildings.....	$ 22,124	$ 2,610	$ 131	$ 24,603
Improvements on land and leasehold.....	2,388	880	47	3,221
	24,512	3,490	178	27,824
Machinery and equipment:				
Machinery and equipment.....	97,576	20,807	1,745	116,638
Delivery equipment and automobiles.....	276	250	19	507
Furniture and fixtures.....	9,108	3,730	57	12,781
	106,960	24,787	1,821	129,926
	$131,472	$28,277	$1,999	$157,750

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See notes to Schedules V and VI on page S-4.

AMETEK, INC.

(B) FINANCIAL STATEMENT SCHEDULES

SCHEDULE VIII -- ALLOWANCE FOR POSSIBLE LOSSES

YEARS ENDED DECEMBER 31, 1993, 1992 AND 1991

(IN THOUSANDS)

	1993	1992	1991
Allowance for possible losses on accounts and notes receivable:			
Balance at beginning of year.....	$ 2,392	$ 2,451	$ 2,079
Additions charged to expense.....	1,320	1,308	908

Recoveries credited to allowance.....	113	25	158
Write-offs.....	(1,337)	(888)	(716)
Currency translation adjustment.....	(89)	(504)	22
Balance at end of year.....	$ 2,399	$ 2,392	$ 2,451

SCHEDULE IX -- SHORT-TERM BORROWINGS

YEARS ENDED DECEMBER 31, 1993, 1992, AND 1991

(DOLLARS IN THOUSANDS)

	1993	1992	1991
Notes payable to banks at December 31..	--	--	--
Weighted average interest rate at December 31.....	--	--	--
Maximum amount outstanding at any month-end.....	--	--	$ 5,333
Average amount outstanding during the year (A).....	--	--	$ 2,990
Weighted average interest rate for the year (B).....	--	--	12.97%

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- -
(A) Computed by dividing the total of the daily balances outstanding by 360.
(B) Computed by dividing the interest expense on short-term borrowings by the average amount outstanding during the year.

SCHEDULE X -- SUPPLEMENTARY INCOME STATEMENT INFORMATION

YEARS ENDED DECEMBER 31, 1993, 1992 AND 1991

(IN THOUSANDS)

	CHARGED TO COSTS AND EXPENSES (A)		
	1993	1992	1991
Maintenance and repairs.....	$ 15,865	$ 15,455	$ 14,490

- --------
(A) Royalties, advertising expenses and taxes other than payroll and income taxes do not exceed one percent of consolidated net sales and, accordingly, are not included herein.

(This page is to be included only in the Edgar version.)

GRAPHICS APPENDIX LIST

EDGAR Version	Typeset Version
Graphic #1 on Inside Front Cover	Graphic #1 - Pictured, on a grey reflective surface, are products manufactured by the Company's Electro-mechanical Group. These products include a thru-flow vacuum cleaner motor, a computer memory drive, direct current brushless motor, a direct current motor - blower designed for medical equipment and a permanent magnet motor for business machines.
Graphic #2 on Inside Front Cover	Graphic #2 - Pictured, on a grey reflective surface, are products manufactured by the

	Company's Precision Instruments Group. These products include an oxygen analyzer controller, an electronic truck instrument panel, a multi-instrument flat panel for an aircraft cockpit and three pressure gauges.
Graphic #3 on Inside Front Cover	Graphic #3 - Pictured, on a grey reflective surface, are products manufactured by the Company's Industrial Materials Group. These products include: a white protective glove made of temperature resistant Siltemp(R), a coil of shiny metal strip wrought from a precision alloy of pure copper, nickel and steel powders; and, in the foreground of the picture, examples of engineered color concentrates granules in green, yellow and magenta. Positioned on top of the granules are the clear plastic filter housing and inlet cover of the Company's Plymouth Products Division patented residential water filter.

EXHIBIT INDEX

EXHIBIT 1

AMETEK, INC.
_% SENIOR NOTES DUE _____

Underwriting Agreement

. . . . . , 19 . .

Goldman, Sachs & Co.,
85 Broad Street,
New York, New York 10004.

Dear Sirs:

AMETEK, Inc., a Delaware corporation (the "Company"), proposes, subject to the terms and conditions stated herein, to issue and sell to Goldman, Sachs & Co. (the "Underwriters") an aggregate of $ principal amount of the Notes of the Company specified above (the "Securities").

1. The Company represents and warrants to, and agrees with, the Underwriters that:

(a) A registration statement in respect of the Securities has been filed with the Securities and Exchange Commission (the "Commission"); such registration statement and any post-effective amendment thereto, each in the form heretofore delivered to you, have been declared effective by the Commission in such form; no other document with respect to such registration statement or document incorporated by reference therein has heretofore been filed with the Commission; and no stop order suspending the effectiveness of such registration statement has been issued and no proceeding for that purpose has been initiated or threatened by the Commission (any preliminary prospectus included in such registration statement or filed with the Commission pursuant to Rule 424 (a) of the rules and regulations of the Commission under the Securities Act of 1933, as amended (the "Act"), being hereinafter called a "Preliminary Prospectus"; the various parts of such registration statement, including all exhibits thereto but excluding Form T-1 and including (i) the information contained in the form of final prospectus filed with the Commission pursuant to Rule 424(b) under the Act in accordance with Section 5(a) hereof and deemed by virtue of Rule 430A under the Act to be part of the registration statement at the time it was declared effective and (ii) the documents incorporated by reference in the prospectus contained in the registration statement at the time such part of the registration statement became effective, each as amended at the time such part of the registration statement became effective, being hereinafter called the "Registration Statement"; such form of final prospectus, in the form first filed pursuant to Rule 424(b) under the Act, being hereinafter called the "Prospectus"; any reference herein to any Preliminary Prospectus or the Prospectus shall be deemed to refer to and include the documents incorporated by reference therein pursuant to Item 12 of Form S-3 under the Act, as of the date of

such Preliminary Prospectus or Prospectus, as the case may be); and any reference to any amendment or supplement to any Preliminary Prospectus or the Prospectus shall be deemed to refer to and include any documents filed after the date of such Preliminary Prospectus or Prospectus, as the case may be, under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and Incorporated by reference in such Preliminary Prospectus or Prospectus, as the case may be; and any reference to any amendment to the Registration Statement shall be deemed to refer to and include any annual report of the Company filed pursuant to Section 13(a) or 15(d) of the Exchange Act after the effective date of the Registration Statement that is incorporated by reference in the Registration Statement;

(b) No order preventing or suspending the use of any Preliminary Prospectus has been issued by the Commission, and each Preliminary Prospectus, at the time of filing thereof, conformed in all material respects to the requirements of the Act and the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act"), and the rules and regulations of the Commission thereunder, and did not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with information furnished in writing to the Company by the Underwriters expressly for use therein;

(c) The documents incorporated by reference in the Prospectus, when they became effective or were filed with the Commission, as the case may be, conformed in all material respects to the requirements of the Act or the Exchange Act and the rules and regulations of the Commission thereunder, and none of such documents contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading; and any further documents so filed and incorporated by reference in the Prospectus or any further amendment or supplement thereto, when such documents become effective or are filed with the Commission, as the case may be, will conform in all material respects to the requirements of the Act or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder and will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; provided, however, that this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with information furnished in writing to the Company by the Underwriters expressly for use therein;

(d) The Registration Statement conforms, and the Prospectus and any further amendments or supplements to the Registration Statement or the Prospectus will conform, in all material respects to the requirements of the Act and the Trust-Indenture Act and the rules and regulations of the Commission thereunder and do not and will not, as of the applicable effective date as to the Registration Statement and any amendment thereto and as of the applicable filing date as to the Prospectus and any amendment or supplement thereto, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; provided, however, that this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with information furnished in writing to the Company by the Underwriters expressly for use therein;

(e) Neither the Company nor any of its subsidiaries has sustained since the date of the latest audited financial statements included or incorporated by reference in the Prospectus any material loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, otherwise than as set forth or contemplated in the Prospectus; and, since the respective dates as of which information is given in the Registration Statement and the Prospectus, there has not been any change in the capital stock or long-term debt of the Company or any of its subsidiaries or any material adverse change, or any development involving a prospective material adverse change, in or affecting the general affairs, management, financial position, stockholders' equity or results of operations of the Company and its subsidiaries, otherwise than as set forth or contemplated in the Prospectus;

(f) The Company and its subsidiaries have good and marketable title in fee simple to all real property and good and marketable title to all personal property owned by them, in each case free and clear of all liens, encumbrances and defects except such as are described in the Prospectus or such as do not materially affect the value of such property and do not interfere with the use made and proposed to be made of such property by the Company and its subsidiaries; and any real property and buildings held under lease by the Company and its subsidiaries are held by them under

valid, subsisting and enforceable leases with such exceptions as are not material and do not interfere with the use made and proposed to be made of such property and buildings by the Company and its subsidiaries;

(g) The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the state of Delaware, with power and authority (corporate and other) to own its properties and conduct its business as described in the Prospectus, and has been duly qualified as a foreign corporation for the transaction of business and is in good standing under the laws of each other jurisdiction in which it owns or leases properties, or conducts any business, so as to require such qualification, or is subject to no material liability or disability by reason of the failure to be so qualified in any such jurisdiction; and each subsidiary of the Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of its jurisdiction of incorporation;

(h) The Company has an authorized capitalization as set forth in the Prospectus, and all of the issued shares of capital stock of the Company have been duly and validly authorized and issued and are fully paid and non-assessable; and all of the issued shares of capital stock of each subsidiary of the Company have been duly and validly authorized and issued, are fully paid and non-assessable and (except for directors' qualifying shares [and except as otherwise set forth in the Prospectus]) are owned directly or indirectly by the Company, free and clear of all liens, encumbrances, equities or claims;

(i) The Securities have been duly authorized and, when issued and delivered pursuant to this Agreement will have been duly executed, authenticated, issued and delivered and will constitute valid and legally binding obligations of the Company entitled to the benefits provided by the Indenture to be dated as of , 1994 (the "Indenture") between the Company and as Trustee (the "Trustee"), under which they are to be issued, which will be substantially in the form filed as an exhibit to the Registration Statement; the Indenture has been duly authorized and duly qualified under the Trust Indenture Act and, when executed and delivered by the Company and the Trustee, the Indenture will constitute a valid and legally binding

instrument, enforceable in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and to general equity principles; and the Securities and the Indenture will conform to the descriptions thereof in the Prospectus;

(j) The issue and sale of the Securities and the compliance by the Company with all of the provisions of the Securities, the Indenture and this Agreement and the consummation of the transactions herein and therein contemplated will not conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, any indenture, mortgage, deed of trust, sale/leaseback agreement, loan agreement or other similar financing agreement or instrument or other agreement or instrument to which the Company or any of its subsidiaries is a party or by which the Company or any of its subsidiaries is bound or to which any of the property or assets of the Company or any of its subsidiaries is subject, nor will such action result in any violation of the provisions of the Certificate of Incorporation or By-laws of the Company or any statute or any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Company or any of its subsidiaries or any of their properties; and no consent, approval, authorization, order, registration or qualification of or with any such court or governmental agency or body is required for the issue and sale of the Securities or the consummation by the Company of the transactions contemplated by this Agreement or the Indenture, except the registration under the Act of the Securities, such as have been obtained under the Trust Indenture Act and such consents, approvals, authorizations, registrations or qualifications as may be required under state securities or Blue Sky laws in connection with the purchase and distribution of the Securities by the Underwriters;

(k) Other than as set forth in the Prospectus, there are no legal or governmental proceedings pending to which the Company or any of its

subsidiaries is a party or of which any property of the Company or any of its subsidiaries is the subject which, if determined adversely to the Company or any of its subsidiaries, would individually or in the aggregate have a material adverse effect on the consolidated financial position, stockholders' equity or results of operations of the Company and its subsidiaries; and, to the best of the Company's knowledge, no such proceedings are threatened or contemplated by governmental authorities or threatened by others;

(l) The Subsidiaries listed in Schedule I hereto are hereinafter referred to as the "Significant Subsidiaries." For the year ended December 31, 1992, each Significant Subsidiary accounted for at least 10% of the Company's consolidated assets or consolidated income, and all other subsidiaries of the Company in the aggregate did not account for more than 10% of the Company's consolidated assets or consolidated income;

(m) Ernst & Young who have certified certain financial statements of the Company and its subsidiaries, are independent public accountants as required by the Act and the rules and regulations of the Commission thereunder.

2. Subject to the terms and conditions herein set forth, the Company agrees to issue and sell to the Underwriters, and the Underwriters agree to purchase from the Company, at a purchase price of % of the principal amount thereof, plus accrued interest from , 1994 to the Time of Delivery hereunder, the Securities.

3. Upon the authorization by the Underwriters of the release of the Securities, the Underwriters propose to offer the Securities for sale upon the terms and conditions set forth in the Prospectus.

4. Securities to be purchased by the Underwriters hereunder, in definitive form, and in such authorized denominations and registered in such names as the Underwriters may request upon at least forty-eight hours' prior notice to the Company, shall be delivered by or on behalf of the Company to you for the account of the Underwriters against payment by the Underwriters or on its behalf of the purchase price therefor by certified or official bank check or checks, payable to the order of the Company in New York Clearing House funds, all at the offices of Sullivan & Cromwell, 125 Broad Street, New York, New York 10004, at 9:30 a.m., New York City time, on , 1994 or at such other time and date as the Underwriters and the Company may agree upon in writing, such time and date being herein called the "Time of Delivery." Such certificates will be made available for checking and packaging at least twenty-four hours prior to the Time of Delivery at the offices of Goldman, Sachs & Co., 85 Broad Street, New York, New York 10004.

5. The Company agrees with the Underwriters:

(a) To prepare the Prospectus in a form approved by you and to file such Prospectus pursuant to Rule 424(b) under the Act not later than the Commission's close of business on the second business day following execution and delivery of this Agreement, or, if applicable, such earlier time as may be required by Rule 43OA(a)(3) under the Act; to make no further amendment or any supplement to the Registration Statement or Prospectus which shall be disapproved by the Underwriters promptly after reasonable notice thereof; to advise the Underwriters, promptly after it receives notice thereof, of the time when the Registration Statement, or any amendment thereto, has been filed or becomes effective or any supplement to the Prospectus or any amended Prospectus has been filed and to furnish the Underwriters with copies thereof; to file promptly all reports and any definitive proxy or information statements required to be filed by the Company with the Commission pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act subsequent to the date of the Prospectus and for so long as the delivery of a prospectus is required in connection with the offering or sale of the Securities; to advise the Underwriters, promptly after it receives notice thereof, of the issuance by the Commission of any stop order or of any order preventing or suspending the use of any Preliminary Prospectus or prospectus, of the suspension of the qualification of the Securities for offering or sale in any jurisdiction, of the initiation or threatening of any proceeding for any such purpose, or of any request by the Commission for the amending or supplementing of the Registration Statement or Prospectus or for additional information; and, in

the event of the issuance of any stop order or of any order preventing or suspending the use of any Preliminary Prospectus or prospectus or suspending any such qualification, to use promptly its best efforts to obtain its withdrawal;

(b) Promptly from time to time to take such action as the Underwriters may reasonably request to qualify the Securities for offering and sale under the securities laws of such jurisdictions as the Underwriters may request and to comply with such laws so as to permit the continuance of sales and dealings therein in such jurisdictions for as long as may be necessary to complete the distribution of the Securities, provided that in connection therewith the Company shall not be required to qualify as a foreign corporation or to file a general consent to service of process in any jurisdiction;

(c) To furnish the Underwriters with copies of the Prospectus in such quantities as the Underwriters may from time to time reasonably request, and, if the delivery of a prospectus is required at any time prior to the expiration of nine months after the time of issue of the Prospectus in connection with the offering or sale of the Securities and if at such time any event shall have occurred as a result of which the Prospectus as then amended or supplemented would include an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in light of the circumstances under which they were made when such Prospectus is delivered, not misleading, or, it for any other reason it shall be necessary during such same period to amend or supplement the Prospectus or to file under the Exchange Act any document incorporated by reference in the Prospectus in order to comply with the Act, the Exchange Act or the Trust Indenture Act, to notify the Underwriters and upon the request of the Underwriters to file such document and to prepare and furnish without charge to the Underwriters and to any dealer in securities as many copies as the Underwriters may from time to time reasonably request of an amended Prospectus or a supplement to the Prospectus which will correct such statement or omission or effect such compliance; and in case the Underwriters are required to deliver a prospectus in connection with sales of any of the Securities at any time nine months or more after the time of issue of the Prospectus, upon request of the Underwriters but at the expense of the Underwriters, to prepare and deliver to the Underwriters as many copies as the Underwriters may request of an amended or supplemented Prospectus complying with Section 10(a)(3) of the Act;

(d) To make generally available to its securityholders as soon as practicable, but in any event not later than eighteen months after the effective date of the Registration Statement (as defined in Rule 158 (c)), an earnings statement of the Company and its subsidiaries (which need not be audited) complying with Section 11(a) of the Act and the rules and regulations of the Commission thereunder (including, at the option of the Company, Rule 158);

(e) During the period beginning from the date hereof to and including the 90th day after the date hereof not to offer, sell, contract to sell or otherwise dispose of any debt securities of the Company which mature more than one year after the Time of Delivery and which are substantially similar to the Securities, without the prior written consent of the Underwriters;

(f) To furnish to the holders of the Securities as soon as practicable after the end of each fiscal year an annual report (including a balance sheet and statements of income, stockholders' equity and cash flows of the Company and its consolidated subsidiaries certified by independent public accountants) and, as soon as practicable after the end of each of the first three quarters of each fiscal year (beginning with the fiscal quarter ending after the effective date of the Registration Statement), consolidated summary financial information of the Company and its subsidiaries for such quarter in reasonable detail; and to furnish to the holders of the Securities all other documents specified in Section of the Indenture all in the manner so specified; and

(g) During a period of five years from the effective date of the Registration Statement, to furnish to the Underwriters copies of all reports or other communications (financial or other) furnished to

stockholders, and deliver to the Underwriters (i) as soon as they are available, copies of any reports and financial statements furnished to or filed with the Commission or any national securities exchange on which the Securities or any class of securities of the Company is listed and (B) the documents specified in

Section of the Indenture, as in effect at the Time of Delivery; and (ii) such additional information concerning the business and financial condition of the Company as the Underwriters may from time to time reasonably request (such financial statements to be on a consolidated basis to the extent the accounts of the Company and its subsidiaries are consolidated in reports furnished to its stockholders generally or to the Commission); and

(h) To apply the net proceeds from the sale of the Securities for the purposes set forth in the Prospectus.

6. The Company covenants and agrees with the Underwriters that the Company will pay or cause to be paid the following: (i) the fees, disbursements and expenses of the Company's counsel and accountants in connection with the registration of the Securities under the Act and all other expenses in connection with the preparation, printing and filing of the Registration Statement, any Preliminary Prospectus and the Prospectus and amendments and supplements thereto and the mailing and delivering of copies thereof to the Underwriters and dealers; (ii) the cost of printing or producing this Agreement, the Indenture, the Blue Sky and Legal Investment Memoranda and any other documents in connection with the offering, purchase, sale and delivery of the Securities, including any corporate histories or bound volumes prepared for the Company, its counsel and its accountants; (iii) all expenses in connection with the qualification of the Securities for offering and sale under state securities laws as provided in Section 5(b) hereof, including the fees and disbursements of counsel for the Underwriters in connection with such qualification and in connection with the Blue Sky and legal investment surveys; (iv) any fees charged by securities rating services for rating the Securities; (v) the filing fees incident to any required review by the National Association of Securities Dealers, Inc. of the terms of the sale of the Securities; (vi) the cost of preparing the Securities; (vii) the fees and expenses of the Trustee and any agent of the Trustee and the fees and disbursements of counsel for the Trustee in connection with the Indenture and the Securities; and (viii) all other costs and expenses incident to the performance of its obligations hereunder which are not otherwise specifically provided for in this Section. It is understood, however, that, except as provided in this Section, Section 8 and Section 10 hereof, the Underwriters will pay all of their own costs and expenses, including the fees of their counsel, transfer taxes on resale of any of the Securities by them, and any advertising expenses connected with any offers they may make. The Underwriters covenant and agree with the Company that the Underwriters will reimburse the Company up to an amount not to exceed $___ for the financial advisory fee which the Company has agreed to pay its financial advisor in connection with the transaction contemplated by this Agreement.

7. The obligations of the Underwriters hereunder shall be subject, in their sole discretion, to the condition that all representations and warranties and other statements of the Company herein are, at and as of the Time of Delivery, true and correct, the condition that the Company shall have performed all of its obligations hereunder theretofore to be performed, and the following additional conditions:

(a) The Prospectus shall have been filed with the Commission pursuant to Rule 424(b) within the applicable time period prescribed for such filing by the rules and regulations under the Act and in accordance with Section 5(a) hereof; no stop order suspending the effectiveness of the Registration Statement or any part thereof shall have been issued and no proceeding for that purpose shall have been initiated or threatened by the Commission; and all requests for additional information on the part of the Commission shall have been complied with to the reasonable satisfaction of the Underwriters;

(b) Sullivan & Cromwell, counsel for the Underwriters, shall have furnished to the Underwriters such opinion or opinions, dated the Time of Delivery, with respect to the incorporation of the Company, the validity of the Indenture, the Securities, the

Registration Statement, the Prospectus, and other related matters as the Underwriters may reasonably request, and such counsel shall have received such papers and information as they may reasonably request to enable them to pass upon such matters;

(c) Stroock & Stroock & Lavan, counsel for the Company, shall have furnished to the Underwriters their written opinion, dated the Time of Delivery, in form and substance satisfactory to the Underwriters to the effect that:

(i) The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Delaware with power and authority (corporate and other) to own its properties and conduct its business as described in the Prospectus;

(ii) The Company has an authorized capitalization as set forth in the Prospectus, and all of the issued shares of capital stock of the Company have been duly and validly authorized and issued and are fully paid and non-assessable;

(iii) The Company has been duly qualified as a foreign corporation for the transaction of business and is in good standing under the laws of each other jurisdiction in which it owns or leases properties, or conducts any business, so as to require such qualification, or is subject to no material liability or disability by reason of the failure to be so qualified in any such jurisdiction (such counsel being entitled to rely in respect of the opinion in this clause upon opinions of local counsel and in respect of matters of fact upon certificates of officers of the Company, provided that such counsel shall state that they believe that both the Underwriters and they are justified in relying upon such opinions and certificates);

(iv) Each Significant Subsidiary has been duly incorporated and is validly existing as a corporation in good standing under the laws of its jurisdiction of incorporation; and all of the issued shares of capital stock of each such Significant Subsidiary have been duly and validly authorized and issued, are fully paid and non-assessable, and (except for directors' qualifying shares [and except as otherwise set forth in the Prospectus]) are owned directly or indirectly by the Company, free and clear of all liens, encumbrances, equities or claims (such counsel being entitled to rely in respect of the opinion in this clause upon opinions of local counsel and in respect of matters of fact upon certificates of officers of the Company or its subsidiaries, provided that such counsel shall state that they believe that both the Underwriters and they are justified in relying upon such opinions and certificates);

(v) To the best of such counsel's knowledge and other than as set forth in the Prospectus, there are no legal or governmental proceedings pending to which the Company or any of its subsidiaries is a party or of which any property of the Company or any of its subsidiaries is the subject which, if determined adversely to the Company or any of its subsidiaries, would individually or in the aggregate have a material adverse effect on the consolidated financial position, stockholders' equity or results of operations of the Company and its subsidiaries; and, to the best of such counsel's knowledge, no such proceedings are threatened or contemplated by governmental authorities or threatened by others;

(vi) This Agreement has been duly authorized, executed and delivered by the Company;

(vii) The Securities have been duly authorized, executed, authenticated, issued and delivered and constitute valid and legally binding obligations of the Company entitled to the benefits provided by the Indenture; and the Securities and the Indenture conform to the descriptions thereof in the Prospectus;

(viii) The Indenture has been duly authorized, executed and

delivered by the parties thereto and constitutes a valid and legally binding instrument, enforceable in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency, fraudulent conveyance, reorganization and other laws of general applicability relating to or affecting creditors' rights and to general equity principles; and the Indenture has been duly qualified under the Trust Indenture Act;

(ix) After giving effect to the application of the net proceeds from the sale of the Securities and borrowings under the Credit Agreement (as defined in the Prospectus) for the purposes set forth in the Prospectus, the issue and sale of the Securities and the compliance by the Company with all of the provisions of the Securities, the Indenture and this Agreement and the consummation of the transactions herein and therein contemplated will not conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, any indenture, mortgage, deed of trust, sale/leaseback agreement, loan agreement or other financing agreement or any other agreement or instrument known to such counsel to which the Company or any of its subsidiaries is a party or by which the Company or any of its subsidiaries is bound or to which any of the property or assets of the Company or any of its subsidiaries is subject, nor will such action result in any violation of the provisions of the Certificate of Incorporation or By-laws of the Company or any statute or any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Company or any of its subsidiaries or any of their properties;

(x) No consent, approval, authorization, order, registration or qualification of or with any such court or governmental agency or body is required for the issue and sale of the Securities or the consummation by the Company of the transactions contemplated by this Agreement or the Indenture except such as have been obtained under the Act and the Trust Indenture Act and such consents, approvals, authorizations, registrations or qualifications as may be required under state securities or Blue Sky laws in connection with the purchase and distribution of the Securities by the Underwriters;

(xi) The documents incorporated by reference in the Prospectus or any further amendment or supplement thereto made by the Company prior to the Time of Delivery (other than the financial statements and related schedules and the other financial data included therein, as to which such counsel need express no opinion), when they were filed with the Commission, complied as to form in all material respects with the requirements of the Exchange Act and the rules and regulations of the Commission thereunder, and they have no reason to believe that, except as any statement therein may have been modified or superseded in the Prospectus, any of such documents, when such documents were so filed, contained an untrue statement of a material fact or

omitted to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made when such documents were so filed, not misleading; and

(xii) The Registration Statement and the Prospectus and any further amendments and supplements thereto made by the Company prior to the Time of Delivery (other than the financial statements and related schedules and the other financial data included or incorporated by reference therein, the form T-1 and the exhibits to the Registration Statement, as to which such counsel need express no opinion) comply as to form in all material respects with the requirements of the Act and the Trust Indenture Act and the rules and regulations thereunder.

In addition, such counsel shall state that they have participated in conferences with officers and other representatives of the Company, representatives of the independent certified public accountants of the Company and the Underwriters at which the contents of the Registration Statement, the Prospectus and any amendment thereof or supplement thereto and related matters were discussed and, although such counsel has not undertaken to investigate or verify independently, and does not assume any responsibility for, the accuracy, completeness or fairness of the statements contained in the Registration Statement or the Prospectus or any

amendment thereof or supplement thereto, (except as to matters referred to in clause (vii) above), on the basis of the foregoing, such counsel has no reason to believe that, as of its effective date, the Registration Statement or any further amendment thereto made by the Company prior to the Time of Delivery (other than the financial statements and related schedules and the other financial data included or incorporated by reference therein, the form T-1 and the exhibits to the Registration Statement, as to which such counsel need express no opinion) contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading or that, as of its date, the Prospectus or any further amendment or supplement thereto made by the Company prior to the Time of Delivery (other than the financial statements and related schedules and the other financial data included or incorporated by reference therein, as to which such counsel need express no opinion) contained an untrue statement of a material fact or omitted to state a material fact necessary to make the statements therein, in light of the circumstances in which they were made, not misleading or that, as of the Time of Delivery, either the Registration Statement or the Prospectus or any further amendment or supplement thereto made by the Company prior to the Time of Delivery (other than the financial statements and related schedules and the other financial data included or incorporated by reference therein, the form T-1 and the exhibits to the Registration Statement, as to which such counsel need express no opinion) contains an untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in light of the circumstances in which they were made, not misleading; and such counsel does not know of any amendment to the Registration Statement required to be filed or of any contracts or other documents of a character required to be filed as an exhibit to the Registration Statement or required to be incorporated by reference into the Prospectus or required to be described in the Registration Statement or the Prospectus which are not filed or incorporated by reference or described as required;

(d) At 10:00 a.m., New York City time, on the effective date of the Registration Statement and the effective date of the most recently filed post-effective amendment to the Registration Statement and also at the Time of Delivery, Ernst &

Young shall have furnished to the Underwriters a letter or letters, dated the respective date of delivery thereof, in form and substance satisfactory to the Underwriters to the effect set forth in Annex I hereto;

(e) (i) Neither the Company nor any of its subsidiaries shall have sustained since the date of the latest audited financial statements included or incorporated by reference in the Prospectus any loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, otherwise than as set forth or contemplated in the Prospectus, and (ii) since the respective dates as of which information is given in the Prospectus there shall not have been any change in the capital stock or long-term debt of the Company or any of its subsidiaries or any change, or any development involving a prospective change, in or affecting the general affairs, management, financial position, stockholders' equity or results of operations of the Company and its subsidiaries, otherwise than as set forth or contemplated in the Prospectus, the effect of which, in any such case described in Clause (i) or (ii), is in the judgment of the Underwriters so material and adverse as to make it impracticable or inadvisable to proceed with the public offering or the delivery of the Securities on the terms and in the manner contemplated in the Prospectus;

(f) On or after the date hereof (i) no downgrading shall have occurred in the rating accorded the Company's debt securities by any "nationally recognized statistical rating organization," as that term is defined by the Commission for purposes of Rule 436(g)(2) under the Act and (ii) no such organization shall have publicly announced that it has under surveillance or review, with possible negative implications, its rating of any of the Company's debt securities;

(g) On or after the date hereof there shall not have occurred any of the following: (i) a suspension or material limitation in trading in securities generally on the New York Stock Exchange; (ii) a general

moratorium on commercial banking activities in New York declared by either Federal or New York State authorities; (iii) the outbreak or escalation of hostilities involving the United States or the declaration by the United States of a national emergency or war, if the effect of any such event specified in this clause (iii) in the judgment of the Underwriters makes it impracticable or inadvisable to proceed with the public offering or the delivery of the Securities on the terms and in the manner contemplated by the Prospectus; or (iv) the occurrence of any material adverse change in the existing financial, political or economic conditions in the United States or elsewhere which, in the judgment of the Underwriters, would materially and adversely affect the financial markets or the market for the Securities and other debt securities; and

(h) The Company shall have furnished or caused to be furnished to the Underwriters at the Time of Delivery certificates of officers of the Company satisfactory to the Underwriters as to the accuracy of the representations and warranties of the Company herein at and as of such Time of Delivery, as to the performance by the Company of all of its obligations hereunder to be performed at or prior to such Time of Delivery, as to the matters set forth in subsections (a) and (e) of this Section and as to such other matters as the Underwriters may reasonably request.

8. (a) The Company will indemnify and hold harmless the Underwriters against any losses, claims, damages or liabilities, joint or several, to which the Underwriters may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or

alleged untrue statement of a material fact contained in any Preliminary Prospectus, the Registration Statement or the Prospectus, or any amendment or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse the Underwriters for any legal or other expenses reasonably incurred by the Underwriters in connection with investigating or defending any such action or claim; provided, however, that the Company shall not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in any Preliminary Prospectus, the Registration Statement or the Prospectus or any such amendment or supplement in reliance upon and in conformity with written information furnished to the Company by the Underwriters expressly for use therein.

(b) The Underwriters will indemnify and hold harmless the Company against any losses, claims, damages or liabilities to which the Company may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in any Preliminary Prospectus, the Registration Statement or the Prospectus, or any amendment or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in any Preliminary Prospectus, the Registration Statement or the Prospectus or any such amendment or supplement in reliance upon and in conformity with written information furnished to the Company by the Underwriters expressly for use therein; and will reimburse the Company for any legal or other expenses reasonably incurred by the Company in connection with investigating or defending any such action or claim as such expenses are incurred.

(c) Promptly after receipt by an indemnified party under subsection (a) or (b) above of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party under such subsection, notify the indemnifying party in writing of the commencement thereof; but the omission so to notify the indemnifying party shall not relieve it from any liability which it may have to any indemnified party otherwise than under such subsection. In case any such action shall be brought against any indemnified party and it shall notify the indemnifying party to the commencement thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, jointly with any other indemnifying party similarly notified, to assume the defense

thereof, with counsel satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and, after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party under such subsection for any legal expenses of other counsel or any other expenses, in each case subsequently incurred by such indemnified party, in connection with the defense thereof other than reasonable costs of investigation.

(d) If the indemnification provided for in this Section 8 is unavailable to or insufficient to hold harmless an indemnified party under subsection (a) or (b) above in respect of any losses, claims, damages or liabilities (or actions in respect thereof) referred to therein, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities (or actions in respect thereof) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and the Underwriters on the other from the offering of the

Securities. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law or if the indemnified party failed to give the notice required under subsection (c) above, then each indemnifying party shall contribute to such amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Company on the one hand and the Underwriters on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities (or actions in respect thereof), as well as any other relevant equitable considerations. The relative benefits received by the Company on the one hand and the Underwriters on the other shall be deemed to be in the same proportion as the total net proceeds from the offering (before deducting expenses) received by the Company bear to the total underwriting discounts and commissions received by the Underwriters less the amount paid by the Underwriters to reimburse the Company pursuant to the last sentence of Section 6 hereof, in each case as set forth in the table on the cover page of the Prospectus. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company on the one hand or the Underwriters on the other and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Company and the Underwriters agree that it would not be just and equitable if contribution pursuant to this subsection (d) were determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to above in this subsection (d). The amount paid or payable by an indemnified party as a result of the losses, claims, damages or liabilities (or actions in respect thereof) referred to above in this subsection (d) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this subsection (d), the Underwriters shall not be required to contribute any amount in excess of the amount by which the total price at which the Securities underwritten by the Underwriters and distributed to the public were offered to the public exceeds the amount of any damages which the Underwriters have otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

(e) The obligations of the Company under this Section 8 shall be in addition to any liability which the Company may otherwise have and shall extend, upon the same terms and conditions, to each person, if any, who controls the Underwriters within the meaning of the Act; and the obligations of the Underwriters under this Section 8 shall be in addition to any liability which the Underwriters may otherwise have and shall extend, upon the same terms and conditions, to each officer and director of the Company and to each person, if any, who controls the Company within the meaning of the Act.

9. The respective indemnities, agreements, representations, warranties and other statements of the Company and the Underwriters, as set forth in this Agreement or made by or on behalf of them, respectively, pursuant to this Agreement, shall remain in full force and effect, regardless of any

investigation (or any statement as to the results thereof) made by or on behalf of the Underwriters or any controlling person of the Underwriters, or the Company, or any officer or director or controlling person of the Company, and shall survive delivery of and payment for the Securities.

10. If for any reason the Securities are not delivered by or on behalf of the Company as provided herein, the Company will reimburse the Underwriters for all out-of-pocket expenses, including fees and disbursements of counsel, reasonably incurred by the Underwriters in making preparations for the purchase, sale and delivery of the Securities, but

the Company shall then be under no further liability to any Underwriter except as provided Section 6 and Section 8 hereof.

11. All statements, requests, notices, and agreements hereunder shall be in writing, and if to the Underwriters shall be delivered or sent by mail, telex or facsimile transmission to the Underwriters at 85 Broad Street, New York, New York 10004, Attention: Registration Department; and if to the Company shall be delivered or sent by mail, telex or facsimile transmission to the address of the Company set forth in the Registration Statement, Attention: Secretary. Any such statements, requests, notices or agreements shall take effect upon receipt thereof.

12. This Agreement shall be binding upon, and inure solely to the benefit of, the Underwriters, the Company and, to the extent provided in Section 8 and Section 9 hereof, the officers and directors of the Company and each person who controls the Company, the Underwriters, and their respective heirs, executors, administrators, successors and assigns, and no other person shall acquire or have any right under or by virtue of this Agreement. No purchaser of any of the Securities from the Underwriters shall be deemed a successor or assign by reason merely of such purchase.

13. Time shall be of the essence of this Agreement. As used herein, the term "business day" shall mean any day when the Commission's office in Washington, D.C. is open for business.

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

15. This Agreement may be executed by any one or more of the parties hereto in any number of counterparts, each of which shall be deemed to be an original, but all such respective counterparts shall together constitute one and the same instrument.

If the foregoing is in accordance with your understanding, please sign and return to us five counterparts hereof, and upon the acceptance hereof by the Underwriters, this letter and such acceptance hereof shall constitute a binding agreement between the Underwriters and the Company.

Very truly yours,

AMETEK, Inc.

By:.....
Name:
Title

Accepted as of the date hereof:

.....
(Goldman, Sachs & Co.)

Schedule I

Significant Subsidiaries

Company	Jurisdiction of Incorporation
AmeSpace, Inc.	Delaware
AMETEK Aerospace Products Inc.	Delaware
AMETEK (Bermuda) Ltd.	Bermuda
AMETEK (Italia) S.r.l.	Italy
EMA Corp.	Delaware

Annex I

Pursuant to Section (d) of the Underwriting Agreement, the accountants shall furnish letters to the Underwriters to the effect that:

(i) They are independent certified public accountants with respect to the Company and its subsidiaries within the meaning of the Act and the applicable published rules and regulations thereunder;

(ii) In their opinion, the financial statements and any supplementary financial information and schedules (and, if applicable, prospective financial statements and/or pro forma financial information) examined by them and included or incorporated by reference in the Registration Statement or the Prospectus comply as to form in all material respects with the applicable accounting requirements of the Act or the Exchange Act, as applicable, and the related published rules and regulations thereunder; and, if applicable, they have made a review in accordance with standards established by the American Institute of Certified Public Accountants of the consolidated interim financial statements, selected financial data, pro forma financial information, prospective financial statements and/or condensed financial statements derived from audited financial statements of the Company for the periods specified in such letter, as indicated in their reports thereon, copies of which have been furnished to the Underwriters;

(iii) The unaudited selected financial information with respect to the consolidated results of operations and financial position of the Company for the five most recent fiscal years included in the Prospectus and included or incorporated by reference in Item 6 of the Company's Annual Report on Form 10-K for the most recent fiscal year agrees with the corresponding amounts (after restatement where applicable) in the audited consolidated financial statements for such five fiscal years which were included or incorporated by reference in the Company's Annual Reports on Form 10-K for such fiscal years;

(iv) On the basis of limited procedures, not constituting an audit in accordance with generally accepted auditing standards, consisting of a reading of the unaudited financial statements and other information referred to below, a reading of the latest available interim financial statements of the Company and its subsidiaries, inspection of the minute books of the Company and its subsidiaries since the date of the latest audited financial statements included or incorporated by reference in the Prospectus, inquiries of officials of the Company and its subsidiaries responsible for financial and accounting matters and such other inquiries and procedures as may be specified in such letter, nothing came to their attention that caused them to believe that:

(A) the unaudited condensed consolidated statements of income, consolidated balance sheets and consolidated statements of cash flows included or incorporated by reference in the Company's Quarterly Reports on Form 10-Q incorporated by reference in the Prospectus do not comply as to form in all material respects with the applicable accounting requirements of the Exchange Act as it applies to Form 10-Q and the related published rules and regulations thereunder or are not in conformity with generally accepted accounting principles applied on a basis substantially consistent with the basis for the audited consolidated statements of income, consolidated balance sheets and consolidated statements of cash flows included or incorporated by

reference in the Company's Annual Report on Form 10-K for the most

recent fiscal year;

(B) any other unaudited income statement data and balance sheet items included in the Prospectus do not agree with the corresponding items in the unaudited consolidated financial statements from which such data and items were derived, and any such unaudited data and items were not determined on a basis substantially consistent with the basis for the corresponding amounts in the audited consolidated financial statements included or incorporated by reference in the Company's Annual Report on Form 10-K for the most recent fiscal year;

(C) the unaudited financial statements which were not included in the Prospectus but from which were derived the unaudited condensed financial statements referred to in Clause (A) and any unaudited income statement data and balance sheet items included in the Prospectus and referred to in Clause (B) were not determined on a basis substantially consistent with the basis for the audited financial statements included or incorporated by reference in the Company's Annual Report on Form 10-K for the most recent fiscal year;

(D) as of a specified date not more than five days prior to the date of such letter, there have been any changes in the consolidated capital stock (other than issuances of capital stock upon exercise of options and stock appreciation rights, upon earn-outs of performance shares and upon conversions of convertible securities, in each case which were outstanding on the date of the latest balance sheet included or incorporated by reference in the Prospectus) or any increase in the consolidated long-term debt of the Company and its subsidiaries, or any decreases in consolidated net current assets or net assets or other items specified by the Underwriters, or any increases in any items specified by the Underwriters, in each case as compared with amounts shown in the latest balance sheet included or incorporated by reference in the Prospectus, except in each case for changes, increases or decreases which the Prospectus discloses have occurred or may occur or which are described in such letter; and

(E) for the period from the date of the latest financial statements included or incorporated by reference in the Prospectus to the specified date referred to in Clause (D) there were any decreases in consolidated net revenues or operating profit or the total or per share amounts of consolidated net income or other items specified by the Underwriters, or any increases in any items specified by the Underwriters, in each case as compared with the comparable period of the preceding year and with any other period of corresponding length specified by the Underwriters, except in each case for increases or decreases which the Prospectus discloses have occurred or may occur or which are described in such letter; and

(v) In addition to the examination referred to in their report(s) included or incorporated by reference in the Prospectus and the limited procedures, inspection of minute books, inquiries and other procedures referred to in paragraphs (iii) and (iv) above, they have carried out certain specified procedures, not constituting an examination in accordance with generally accepted auditing standards, with respect to certain amounts, percentages and financial information specified by the Underwriters which are derived from the general accounting records of the Company and its

subsidiaries, which appear in the Prospectus (excluding documents incorporated by reference) or in Part II of, or in exhibits and schedules to, the Registration Statement specified by the Underwriters or in documents incorporated by reference in the Prospectus specified by the Underwriters, and have compared certain of such amounts, percentages and financial information with the accounting records of the Company and its subsidiaries and have found them to be in agreement.

EXHIBIT 4.1

AMETEK, INC.

TO

CORESTATES BANK, N.A.
Trustee

Indenture

Dated as of _____, 1994

$150,000,000

___% Senior Notes Due 2006

AMETEK, INC.

Reconciliation and tie between Trust Indenture Act of 1939 and Indenture, dated as of _____, 1994

Trust Indenture Act Section		Indenture Section
Section 310	(a)(1)	609
	(a)(2)	609
	(a)(3)	Not Applicable
	(a)(4)	Not Applicable
	(a)(5)	Not Applicable
	(b)	608 610
	(c)	Not Applicable
Section 311	(a)	613(a)
	(b)	613(b)
	(b)(2)	703(a)(2) 703(b)
	(c)	Not Applicable
Section 312	(a)	701 702(a)
	(b)	702(b)
	(c)	702(c)
Section 313	(a)	703(a)

	(b)	.....	703(b)
	(c)	.....	703(a) 703(b)
	(d)	.....	703(c)
Section 314	(a)	.....	704
	(b)	.....	Not Applicable
	(c)(1)	.....	102
	(c)(2)	.....	102
	(c)(3)	.....	Not Applicable
	(d)	.....	Not Applicable
	(e)	.....	102
	(f)	.....	Not Applicable
Section 315	(a)	.....	601(a)
	(b)	.....	602 703(a)(6)

	(c)	.....	601(b)
	(d)	.....	601(c)
	(d)(1)	.....	601(a)(1)
	(d)(2)	.....	601(c)(2)
	(d)(3)	.....	601(c)(3)
	(e)	.....	514
Section 316	(a)	.....	101
	(a)(1)(A)	.....	502 512
	(a)(1)(B)	.....	513
	(a)(2)	.....	Not Applicable
	(b)	.....	508
	(c)	.....	104(c)
Section 317	(a)(1)	.....	503
	(a)(2)	.....	504
	(b)	.....	1003
Section 318	(a)	.....	107

_____

Note: This reconciliation and tie shall not, for any purpose, be deemed to be a part of the Indenture.

TABLE OF CONTENTS

Note: This table of contents shall not, for any purpose, be deemed to be a part of the Indenture.

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INDENTURE, dated as of _____, 1994 between AMETEK, INC., a corporation duly organized and existing under the laws of the State of Delaware (herein called the "Company"), having its principal office at Station Square, Paoli, Pennsylvania 19301, and CORESTATES BANK, N.A., a national banking association duly organized and existing under the laws of the United States of America, as Trustee (herein called the "Trustee").

RECITALS OF THE COMPANY

The Company has duly authorized the creation of an issue of its Senior Notes due 2006 of substantially the tenor and amount hereinafter set forth, and to provide therefor the Company has duly authorized the execu- tion and delivery of this Indenture.

All things necessary to make the Securities, when executed by the Company and authenticated and delivered hereunder and duly issued by the Company, the valid obligations of the Company, and to make this Indenture a valid agreement of the Company, in accordance with their and its terms, have been done.

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

For and in consideration of the premises and the purchase of the Securities by the Holders thereof, it is mutually covenanted and agreed, for the equal and proportionate benefit of all Holders of the Securities, as follows:

ARTICLE ONE

Definitions and Other Provisions of General Application

SECTION 101. Definitions.

For all purposes of this Indenture, except as otherwise expressly provided or unless the context otherwise requires:

(1) the terms defined in this Article have the meanings assigned to them in this Article and include the plural as well as the singular;

(2) all other terms used herein which are defined in the Trust Indenture Act, either directly or by reference therein, have the meanings assigned to them therein;

(3) all accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles (whether or not such is indicated herein), and, except as otherwise herein expressly provided, the term "generally accepted accounting principles" with respect to any computation required or permitted hereunder shall mean such accounting principles as are generally accepted as consistently applied by the Company at the date of such computation but shall not include the accounts of Unrestricted Subsidiaries, except to the extent of dividends and distributions actually paid to the Company or one of its Wholly Owned Subsidiaries;

(4) unless otherwise specifically set forth herein, all calculations or determinations of a Person shall be performed or made on a consolidated basis in accordance with generally accepted accounting principles; and

(5) the words "herein", "hereof" and "hereunder" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or other subdivision.

Certain terms, used principally in Article Six, are defined in that Article.

"Act", when used with respect to any Holder, has the meaning specified in Section 104.

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

"Asset Disposition" by any Person means any transfer, conveyance, sale, lease or other disposition by such Person or any of its Subsidiaries (including a consolidation or merger or other sale of any such Subsidiary with, into or to another Person in a transaction in which such Subsidiary

ceases to be a Subsidiary, but excluding a disposition by a Subsidiary of such Person to such Person or a Wholly Owned Subsidiary of such Person or by such Person to a Wholly Owned Subsidiary of such Person) of (i) shares of Capital Stock (other than directors' qualifying shares) or other ownership interests of a Subsidiary of such Person, (ii) substantially all of the assets of such Person or any of its Subsidiaries representing a division or line of business or (iii) other assets or rights of such Person or any of its Subsidiaries outside of the ordinary course of business.

"Attributable Value" means, as to any particular lease under which any Person is at the time liable other than a Capital Lease Obligation, and at any date as of which the amount thereof is to be determined, the total net amount of rent required to be paid by such Person under such lease during the initial term thereof as determined in accordance with generally accepted accounting principles, discounted from the last date of such initial term to the date of determination at a rate per annum equal to the discount rate which would be applicable to a Capital Lease Obligation with like term in accordance with generally accepted accounting principles. The net amount of rent required to be paid under any such lease for any such period shall be the aggregate amount of rent payable by the lessee with respect to such period after excluding amounts required to be paid on account of insurance, taxes, assessments, utility, operating and labor costs and similar charges. In the case of any lease which is terminable by the lessee upon the payment of a penalty, such net amount shall also include the amount of such penalty, but no rent shall be considered as required to be paid under such lease subsequent to the first date upon which it may be so terminated. "Attributable Value" means, as to a Capital Lease Obligation under which any Person is at the time liable and at any date as of which the amount thereof is to be determined, the capitalized amount thereof that would appear on the face of a balance sheet of such Person in accordance with generally accepted accounting principles.

"Board of Directors" means either the board of directors of the Company or any duly authorized committee of that board.

"Board Resolution" means a copy of a resolution certified by the Secretary or an Assistant Secretary of the Company to have been duly adopted by the Board of Directors and to be in full force and effect on the date of such certification, and delivered to the Trustee.

"Business Day" means each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions in The City of New York, New York are authorized or obligated by law or executive order to close.

"Capital Lease Obligation" of any Person means the obligation to pay rent or other payment amounts under a lease of (or other Debt arrangements conveying the right to use) real or personal property of such Person which is required to be classified and accounted for as a capital lease or a liability on the face of a balance sheet of such Person in accordance with generally accepted accounting principles. The stated maturity of such obligation shall be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be terminated by the lessee without payment of a penalty.

"Capital Stock" of any Person means any and all shares, interests, participations or other equivalents (however designated) of corporate stock of such Person.

"Change of Control" has the meaning specified in Section 1015.

"Commission" means the Securities and Exchange Commission, as from time to time constituted, created under the Exchange Act, or, if at any time after the execution of this instrument such Commission is not existing and performing the duties now assigned to it under the Trust Indenture Act, then the body performing such duties at such time.

"Common Stock" of any Person means Capital Stock of such Person that does not rank prior, as to the payment of dividends or as to the distribution of assets upon any voluntary or involuntary liquidation, dissolution or winding up of such Person, to shares of Capital Stock of any other class of such Person.

"Company" means the Person named as the "Company" in the first paragraph of this instrument until a successor Person shall have become such pursuant to the applicable provisions of this Indenture and thereafter "Company" shall mean such successor Person.

"Company Request" or "Company Order" means a written request or order signed in the name of the Company by its Chairman of the Board, its President or a Vice President, and by its Treasurer, an Assistant Treasurer, its Secretary or an Assistant Secretary, and delivered to the Trustee.

"Consolidated Cash Flow Available for Fixed Charges" of any Person means for any period the Consolidated Net Income for such period increased by the sum of (i) Consolidated Interest Expense of such Person for such period, plus (ii) Consolidated Income Tax Expense of such Person for such period, plus (iii) the consolidated depreciation and amortization expense included in the income statement of such Person for such period, plus (iv) other non-cash charges of such Person for such period deducted from consolidated revenues in determining Consolidated Net Income for such period, minus (v) non-cash items of such Person for such period increasing consolidated revenues in determining Consolidated Net Income for such period.

"Consolidated Cash Flow Ratio" of any Person means for any period the ratio of (i) Consolidated Cash Flow Available for Fixed Charges of such Person for such period to (ii) the sum of (A) Consolidated Interest Expense of such Person for such period, plus (B) the interest expense for such period (including the amortization of debt discount) with respect to any Debt proposed to be Incurred by such Person or its Subsidiaries, minus (C) Consolidated Interest Expense of such Person to the extent included in Clause (ii)(A) with respect to any Debt that will no longer be outstanding as a result of the Incurrence of the Debt proposed to be Incurred, plus (D) the interest expense for such period (including the amortization of debt discount) with respect to any other Debt Incurred by such Person or its Subsidiaries since the end of such period to the extent not included in Clause (ii)(A) minus (E) Consolidated Interest Expense of such Person to the extent included in Clause (ii)(A) with respect to any Debt that no longer is outstanding as a result of the Incurrence of the Debt referred to in clause (ii)(D); provided, however, that in making such computation, the
Consolidated Interest Expense of such Person attributable to interest on any Debt bearing a floating interest rate shall be computed on a pro forma basis as if the rate in effect on the date of computation had been the applicable rate for the entire period; provided further that, in the event such Person or any of its Subsidiaries has made Asset Dispositions or acquisitions of assets not in the ordinary course of business (including acquisitions of other Persons by merger, consolidation or purchase of Capital Stock) during or after such period, such computation shall be made on a pro forma basis as if the Asset Dispositions or acquisitions had taken place on the first day of such period.

"Consolidated Income Tax Expense" of any Person means for any period the consolidated provision for income taxes of such Person for such period calculated on a con-

solidated basis in accordance with generally accepted accounting principles; provided that there shall be excluded therefrom the tax effect of any of the items described in Clauses (a) through (f) of the definition of Consolidated Net Income.

"Consolidated Interest Expense" for any Person means for any period the consolidated interest expense included in a consolidated income statement (without deduction of interest income) of such Person for such period calculated on a consolidated basis in accordance with generally accepted accounting principles, including without limitation or duplication (or, to the extent not so included, with the addition of), (i) the amortization of Debt discounts; (ii) any payments or fees with respect to letters of credit, bankers' acceptances or similar facilities; (iii) fees with respect to interest rate swap or similar agreements or foreign currency hedge, exchange or similar agreements; (iv) Preferred Stock dividends of such Person (other than with respect to Disqualified Stock) declared and paid or payable; (v) accrued Disqualified Stock dividends of such Person and all accrued Preferred Stock dividends of Subsidiaries of such Person, in each case whether or not declared or paid; (vi) interest on Debt guaranteed by such Person; and (vii) the portion of any rental obligation treated as interest expense in accordance with generally accepted accounting principles.

"Consolidated Net Income" of any Person means for any period the consolidated net income (or loss) of such Person for such period determined on a consolidated basis in accordance with generally accepted accounting principles; provided that there shall be excluded therefrom (a) the net income (or loss) of

any Person acquired by such Person or a Subsidiary of such Person in a pooling-of-interests transaction for any period prior to the date of such transaction, (b) the net income (but not net loss) of any Subsidiary of such Person which is subject to restrictions which prevent the payment of dividends or the making of distributions to such Person to the extent of such restrictions provided that
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there shall not be excluded the net income of a Foreign Subsidiary which is subject to an encumbrance or restriction on the payment of dividends and other cash distributions permitted by Clause (d) of Section 1013 in all cases except for purposes of Section 1010, in which case the net income of such a Subsidiary shall be excluded in accordance with this Clause (b), (c) the net income (or loss) of any Person that is not a Subsidiary of such Person except to the extent of the amount of dividends or other distributions actually paid to such Person by such other Person during such period, (d) gains or losses on Asset Dispositions by such Person or its Subsidiaries, (e) all extraordinary or nonrecurring gains and extraordinary or nonrecurring losses, (f) the cumulative effect of changes in accounting principles in the year of adoption of such changes, and (g) the tax effect of any of the items described in Clauses (a) through (f) above.

"Consolidated Subsidiaries" of any Person means all corporations in which such Person has an interest that would be accounted for on a consolidated basis in such Person's financial statements in accordance with generally accepted accounting principles.

"Consolidated Tangible Assets" of any Person means the sum of the Tangible Assets of such Person after eliminating inter-company items, determined on a consolidated basis in accordance with generally accepted accounting principles, including appropriate deductions for any minority interest in Tangible Assets of such Person's Subsidiaries; provided, however,
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that, with respect to the Company, adjustments following the date of this Indenture to the accounting books and records of the Company in accordance with Accounting Principles Board Opinions Nos. 16 and 17 (or successor opinions thereto) or otherwise resulting from the acquisition of control of the Company by another Person shall not be given effect to.

"Corporate Owned Life Insurance Policies" means corporate owned life insurance policies held by the Company with respect to certain of its employees.

"Corporate Trust Office" means the principal office of the Trustee in Philadelphia, Pennsylvania at which at any particular time its corporate trust business shall be administered.

"corporation" means a corporation, association, company, joint-stock company, partnership or business trust.

"Debt" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent, (i) every obligation of such Person for money borrowed, (ii) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments, including obligations Incurred in connection with the acquisition of property, assets or businesses, (iii) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar facilities issued for the account of such Person, (iv) every obligation of such Person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or accrued liabilities arising in the ordinary course of business), (v) every Capital Lease Obligation of such Person, (vi) the maximum fixed redemption or repurchase price of Disqualified Stock of such Person at the time of determination, (vii) every obligation under Interest Rate, Currency or Commodity Protection Agreements of such Person and (viii) every obligation of the type referred to in Clauses (i) through (vii) of another Person and all dividends of another Person the payment of which, in either case, such

Person has Guaranteed or is responsible or liable, directly or indirectly, as obligor, Guarantor or otherwise.

"Defaulted Interest" has the meaning specified in Section 307.

"Disqualified Stock" of any Person means any Capital Stock of such Person which, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or is redeemable at the option of the Company, any subsidiary of the Company or the holder thereof, in whole or in part, on or prior to the final Stated Maturity of the Securities.

"Event of Default" has the meaning specified in Section 501.

"Exchange Act" refers to the Securities Exchange Act of 1934 as it may be amended and any successor act thereto.

"Expiration Date" has the meaning specified in the definition of Offer to Purchase.

"Foreign Subsidiary" means with respect to any Person, any Subsidiary of such Person that is incorporated in a country other than the United States.

"Guarantee" by any Person means any obligation, contingent or otherwise, of such Person guaranteeing, or having the economic effect of guaranteeing, any Debt of any other Person (the "primary obligor") in any manner, whether directly or indirectly, and including, without limitation, any obligation of such Person, (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Debt or to purchase (or to advance or supply funds for the purchase of) any security for the payment of such Debt, (ii) to purchase property, securities or services for the purpose of assuring the holder of such Debt of the payment of such Debt, or (iii) to maintain working capital, equity capital or other financial statement condition or liquidity of the primary obligor so as to enable the primary obligor to pay such Debt (and "Guaranteed", "Guaranteeing" and "Guarantor" shall have meanings correlative to the fore-going); provided, however, that the Guaranty by any Person shall not include endorsements by such Person for collection or deposit, in either case, in the ordinary course of business.

"Holder" means a Person in whose name a Security is registered in the Security Register.

"Incur" means, with respect to any Debt or other obligation of any Person, to create, issue, incur (by conversion, exchange or otherwise), assume, Guarantee or otherwise become liable in respect of such Debt or other obligation or the recording, as required pursuant to generally accepted accounting principles or otherwise, of any such Debt or other obligation on the balance sheet of such Person (and "Incurrence", "Incurred", "Incurrable" and "Incurring" shall have meanings correlative to the fore-going); provided, however, that a change in generally accepted accounting principles that results in an obligation of such Person that exists at such time becoming Debt shall not be deemed an Incurrence of such Debt.

"Indenture" means this instrument as originally executed or as it may from time to time be supplemented or amended by one or more indentures supplemental hereto entered into pursuant to the applicable provisions hereof.

"Interest Rate, Currency or Commodity Protection Agreement" means any interest rate swap agreement, interest rate cap agreement, currency swap agreement or other financial agreement or arrangement designed to protect the Company against fluctuations in interest rates or currency exchange rates or commodity prices and which shall have a notional amount no greater than the amount of the underlying obligation being hedged thereby.

"Interest Payment Date" means the Stated Maturity of an instalment of interest on the Securities.

"Investment" by any Person means any direct or indirect loan, advance or other extension of credit or capital contribution (by means of transfers of cash or other property to others or payments for property or services for the account or use of others, or otherwise) to, or purchase or acquisition of Capital Stock, bonds, notes, debentures or other securities or evidence of Debt

issued by any other Person.

"Lien" means, with respect to any property or assets, any mortgage or deed of trust, pledge, hypothecation, assignment, deposit arrangement, security interest, lien, charge, easement (other than any easement not materially impairing usefulness or marketability), encumbrance, preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever on or with respect to such property or assets (including, without

limitation, any conditional sale or other title retention agreement having substantially the same economic effect as any of the foregoing).

"Maturity", when used with respect to any Security, means the date on which the principal of such Security becomes due and payable as therein or herein provided, whether at the Stated Maturity or by declaration of acceleration, call for redemption or otherwise.

"Offer" has the meaning specified in the definition of Offer to Purchase.

"Offer to Purchase" means a written offer (the "Offer") sent by the Company by first class mail, postage prepaid, to each Holder at his address appearing in the Security Register on the date of the Offer offering to purchase up to the principal amount of Securities specified in such Offer at the purchase price specified in such Offer (as determined pursuant to this Indenture). Unless otherwise required by applicable law, the Offer shall specify an expiration date (the "Expiration Date") of the Offer to Purchase which shall be, subject to any contrary requirements of applicable law, not less than 30 days or more than 60 days after the date of such Offer and a settlement date (the "Purchase Date") for purchase of Securities within five Business Days after the Expiration Date. The Company shall notify the Trustee at least 15 Business Days (or such shorter period as is acceptable to the Trustee) prior to the mailing of the Offer of the Company's obligation to make an Offer to Purchase, and the Offer shall be mailed by the Company or, at the Company's request, by the Trustee in the name and at the expense of the Company. The Offer shall contain information concerning the business of the Company and its Subsidiaries which the Company in good faith believes will enable such Holders to make an informed decision with respect to the Offer to Purchase (which at a minimum will include (i) the most recent annual and quarterly financial statements and "Management's Discussion and Analysis of Financial Condition and Results of Operations" contained in the documents required to be filed with the Trustee pursuant to Section 1016 (which requirements may be satisfied by delivery of such documents together with the Offer), (ii) a description of material developments in the Company's business subsequent to the date of the latest of such financial statements referred to in Clause (i) (including a description of the events requiring the Company to make the Offer to Purchase), (iii) if applicable, appropriate pro forma financial information concerning the Offer to Purchase and the events requiring the Company to make the Offer to Purchase and (iv) any other information required by

applicable law to be included therein). The Offer shall contain all instructions and materials necessary to enable such Holders to tender Securities pursuant to the Offer to Purchase. The Offer shall also state:

(1) the Section of this Indenture pursuant to which the Offer to Purchase is being made;

(2) the Expiration Date and the Purchase Date;

(3) the aggregate principal amount of the Outstanding Securities offered to be purchased by the Company pursuant to the Offer to Purchase (including, if less than 100%, the manner by which such has been determined pursuant to the Section hereof requiring the Offer to Purchase) (the "Purchase Amount");

(4) the purchase price to be paid by the Company for each $1,000 aggregate principal amount of Securities accepted for payment (as specified pursuant to this Indenture) (the "Purchase Price");

(5) that the Holder may tender all or any portion of the Securities registered in the name of such Holder and that any portion of a Security tendered must be tendered in an integral multiple of $1,000 principal amount;

(6) the place or places where Securities are to be surrendered for tender pursuant to the Offer to Purchase;

(7) that interest on any Security not tendered or tendered but not purchased by the Company pursuant to the Offer to Purchase will continue to accrue;

(8) that on the Purchase Date the Purchase Price will become due and payable upon each Security accepted for payment pursuant to the Offer to Purchase and that interest thereon shall cease to accrue on and after the Purchase Date;

(9) that each Holder electing to tender a Security pursuant to the Offer to Purchase will be required to surrender such Security at the place or places specified in the Offer prior to the close of business on the Expiration Date (such Security being, if the Company or the Trustee so requires, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the

Trustee duly executed by, the Holder thereof or his attorney duly authorized in writing);

(10) that Holders will be entitled to withdraw all or any portion of Securities tendered if the Company (or its Paying Agent) receives, not later than the close of business on the Expiration Date, a telegram, telex, facsimile transmission or letter setting forth the name of the Holder, the principal amount of the Security the Holder tendered, the certificate number of the Security the Holder tendered and a statement that such Holder is withdrawing all or a portion of his tender;

(11) that if Securities in an aggregate principal amount less than or equal to the Purchase Amount are duly tendered and not withdrawn pursuant to the Offer to Purchase, the Company shall purchase all such Securities; and

(12) that in the case of any Holder whose Security is purchased only in part, the Company shall execute, and the Trustee shall authenticate and deliver to the Holder of such Security without service charge, a new Security or Securities, of any authorized denomination as requested by such Holder, in an aggregate principal amount equal to and in exchange for the unpurchased portion of the Security so tendered.

Any Offer to Purchase shall be governed by and effected in accordance with the Offer for such Offer to Purchase.

"Officers' Certificate" means a certificate signed by the Chairman of the Board, the President or a Vice President, and by the Treasurer, an Assistant Treasurer, the Secretary or an Assistant Secretary, of the Company, and delivered to the Trustee.

"Opinion of Counsel" means a written opinion of counsel, who may be an employee of or counsel for the Company, or other counsel who shall be acceptable to the Trustee.

"Outstanding", when used with respect to Securities, means, as of the date of determination, all Securities theretofore authenticated and delivered under this Indenture, except:

(i) Securities theretofore cancelled by the Trustee or delivered to the Trustee for cancellation;

(ii) Securities for whose payment or redemption money in the necessary amount has been theretofore deposited with the Trustee or any Paying Agent

(other than the Company) in trust or set aside and segregated in trust by the Company (if the Company shall act as its own Paying Agent) for the Holders of such Securities; provided that, if such Securities are to be redeemed, notice of such redemption has been duly given pursuant to this Indenture or provision therefor satisfactory to the Trustee has been made; and

(iii) Securities which have been paid pursuant to Section 306 or in exchange for or in lieu of which other Securities have been authenticated and delivered pursuant to this Indenture, other than any such Securities in respect of which there shall have been presented to the Trustee proof satisfactory to it that such Securities are held by a bona fide purchaser in whose hands such Securities are valid obligations of the Company;

provided, however, that in determining whether the Holders of the requisite principal amount of the Outstanding Securities have given any request, demand, authorization, direction, notice, consent or waiver hereunder, Securities owned by the Company or any other obligor upon the Securities or any Affiliate of the Company or of such other obligor shall be disregarded and deemed not to be Outstanding, except that, in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Securities which the Trustee knows to be so owned shall be so disregarded. Securities so owned which have been pledged in good faith may be regarded as Outstanding if the pledgee establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to such Securities and that the pledgee is not the Company or any other obligor upon the Securities or any Affiliate of the Company or of such other obligor.

"pari passu", when used with respect to the ranking of any Debt of any Person in relation to other Debt of such Person, means that each such Debt (a) either (i) is not subordinated in right of payment to the same Debt of such Person or (ii) is subordinate in right of payment to the same Debt of such Person as is the other and is so subordinate to the same extent and (b) is not subordinate in right

of payment to the other or to any Debt of such Person as to which the other is not so subordinate.

"Paying Agent" means any Person authorized by the Company to pay the principal of (and premium, if any) or interest on any Securities on behalf of the Company.

"Permitted Investments" means (a) certificates of deposit with final maturities of one year or less issued by a U.S. commercial bank or a U.S. branch of a foreign bank or, in the case of a Foreign Subsidiary, a reputable bank in the country in which such Foreign Subsidiary operates, having capital and surplus in excess of $100 million and, in the case of a U.S. commercial bank or a U.S. branch of a foreign bank, having a peer group rating of C or better (or the equivalent thereof) by Thompson BankWatch Inc. or outstanding long-term debt rated BBB or better (or the equivalent thereof) by Standard & Poor's or Baa or better (or the equivalent thereof) by Moody's Investors Service, Inc.; (b) commercial paper rated A-1 (or the equivalent thereof) by Standard & Poor's or P-1 (or the equivalent thereof) by Moody's Investors Service, Inc.; (c) direct obligations of the United States government or a U.S. government agency; (d) repurchase agreements in respect of direct U.S. government obligations; (e) in the case of a Foreign Subsidiary, direct obligations of the sovereign and the government agencies of the country in which such foreign subsidiary operates; (f) shares of money market or equity mutual or similar funds having assets in excess of $100 million; and (g) equity or debt securities rated A or better (or the equivalent thereof) by Standard & Poor's or Moody's Investors Service, Inc. of public companies which (x) are freely tradeable without restriction on a stock exchange or through a nationally recognized automated quotation system and (y) are purchased and held as current assets and not for investment; (h) any Investments made by AMETEK (Bermuda) Ltd., provided that such Investments are made as part of such Subsidiary's normal self-insurance activities and only so long as the sole business of such Subsidiary is the insuring of risks of only the Company and its other Subsidiaries

"Person" means any individual, corporation, partnership, joint

venture, trust, unincorporated organization or government or any agency or political subdivision thereof.

"Predecessor Security" of any particular Security means every previous Security evidencing all or a portion of the same debt as that evidenced by such particular Security; and, for the purposes of this definition, any Security

authenticated and delivered under Section 306 in exchange for or in lieu of a mutilated, destroyed, lost or stolen Security shall be deemed to evidence the same debt as the mutilated, destroyed, lost or stolen Security.

"Preferred Stock" of any Person means Capital Stock of such Person of any class or classes (however designated) that ranks prior, as to the payment of dividends or as to the distribution of assets upon any voluntary or involuntary liquidation, dissolution or winding up of such Person, to shares of Capital Stock of any other class of such Person.

"Purchase Amount" has the meaning specified in the definition of Offer to Purchase.

"Purchase Date" has the meaning specified in the definition of Offer to Purchase.

"Purchase Price" has the meaning specified in the definition of Offer to Purchase.

"Redemption Date", when used with respect to any Security to be redeemed, means the date fixed for such redemption by or pursuant to this Indenture.

"Redemption Price", when used with respect to any Security to be redeemed, means the price at which it is to be redeemed pursuant to this Indenture.

"Regular Record Date" for the interest payable on any Interest Payment Date means the _____ or _____ (whether or not a Business Day), as the case may be, next preceding such Interest Payment Date.

"Related Person" of any Person means any other Person directly or indirectly owning (a) 5% or more of the outstanding Common Stock of such Person (or, in the case of a Person that is not a corporation, 5% or more of the equity interest in such Person) or (b) 5% or more of the combined voting power of the Voting Stock of such Person.

"Restricted Payments" has the meaning specified in Section 1010.

"Sale and Leaseback Transaction" of any Person means an arrangement with any lender or investor or to which such lender or investor is a party providing for the leasing by such Person of any property or asset of such Person which has been or is being sold or transferred by such Person more than 270 days after the acquisition thereof or the comple-

tion of construction or commencement of operation thereof to such lender or investor or to any person to whom funds have been or are to be advanced by such lender or investor on the security of such property or asset. The stated maturity of such arrangement shall be the date of the last payment of rent or any other amount due under such arrangement prior to the first date on which such arrangement may be terminated by the lessee without payment of a penalty.

"Securities" means securities designated in the first paragraph of the RECITALS OF THE COMPANY.

"Security Register" and "Security Registrar" have the respective meanings specified in Section 305.

"Significant Subsidiary" of any Person means any Subsidiary which, together with all of its Subsidiaries, would be a Significant Subsidiary within the meaning of Regulation S-X under the U.S. securities laws.

"Special Record Date" for the payment of any Defaulted Interest means a date fixed by the Trustee pursuant to Section 307.

"Stated Maturity", when used with respect to any Security or any installment of interest thereon, means the date specified in such Security as the fixed date on which the principal or interest of such Security is due and payable.

"Subordinated Debt" means Debt of the Company as to which the payment of principal of (and premium, if any) and interest and other payment obligations in respect of such Debt shall be subordinate to the prior payment in full of the Securities to at least the following extent: (i) no payments of principal of (or premium, if any) or interest on or otherwise due in respect of such Debt may be permitted for so long as any default in the payment of principal (or premium, if any) or interest on the Securities exists; (ii) in the event that any other default that with the passing of time or the giving of notice, or both, would constitute an event of default exists with respect to the Securities, upon notice by 25% or more in principal amount of the Securities to the Trustee, the Trustee shall have the right to give notice to the Company and the holders of such Debt (or trustees or agents therefor) of a payment blockage, and thereafter no payments of principal of (or premium, if any) or interest on or otherwise due in respect of such Debt may be made for a period of 179 days from the date of such notice; and (iii) such Debt may not (x) provide for payments of principal of such Debt at the stated maturity thereof or

by way of a sinking fund applicable thereto or by way of any mandatory redemption, defeasance, retirement or repurchase thereof by the Company (including any redemption, retirement or repurchase which is contingent upon events or circumstances, but excluding any retirement required by virtue of acceleration of such Debt upon an event of default thereunder), in each case prior to the final Stated Maturity of the Securities or (y) permit redemption or other retirement (including pursuant to an offer to purchase made by the Company) of such other Debt at the option of the holder thereof prior to the final Stated Maturity of the Securities, other than a redemption or other retirement at the option of the holder of such Debt (including pursuant to an offer to purchase made by the Company) which is conditioned upon the change of control of the Company pursuant to provisions substantially similar to those contained in Section 1015 hereof.

"Subsidiary" of any Person means (i) a corporation more than 50% of the combined voting power of the outstanding Voting Stock of which is owned, directly or indirectly, by such Person or by one or more other Subsidiaries of such Person or by such Person and one or more Subsidiaries thereof or (ii) any other Person (other than a corporation) in which such Person, or one or more other Subsidiaries of such Person or such Person and one or more other Subsidiaries thereof, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof. "Subsidiary" shall not include an Unrestricted Subsidiary created in accordance with the definition of "Unrestricted Subsidiary". For purposes of Clause (iii) of Section 1010, a joint venture of which the Company, directly or indirectly, owns 50% of the equity and voting interests and another Person (or group of Person acts together in relation to such joint venture) owns the other 50% of the equity and voting interests shall be deemed a Subsidiary of the Company.

"Tangible Assets" of any Person means, at any date, the gross book value as shown by the accounting books and records of such Person of all its property both real and personal, less (i) the net book value of all its licenses, patents, patent applications, copyrights, trademarks, trade names, goodwill, non-compete agreements or organizational expenses and other like intangibles, (ii) unamortized Debt discount and expense, (iii) all reserves for depreciation, obsolescence, depletion and amortization of its properties and (iv) all other proper reserves which in accordance with generally accepted accounting principles should be provided in connection with the business conducted by such Person; provided, however, that, with respect to the Company
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and its

Consolidated Subsidiaries, adjustments following the date of this Indenture to the accounting books and records of the Company and its Consolidated

Subsidiaries in accordance with Accounting Principles Board Opinions Nos. 16 and 17 (or successor opinions thereto) or otherwise resulting from the acquisition of control of the Company by another Person shall not be given effect to.

"Trustee" means the Person named as the "Trustee" in the first paragraph of this instrument until a successor Trustee shall have become such pursuant to the applicable provisions of this Indenture, and thereafter "Trustee" shall mean such successor Trustee.

"Trust Indenture Act" means the Trust Indenture Act of 1939 as in force at the date as of which this instrument was executed, except as provided in Section 905; provided, however, that in the event the Trust Indenture Act of 1939 is amended after such date, "Trust Indenture Act" means, to the extent required by any such amendment, the Trust Indenture Act of 1939 as so amended.

"Unrestricted Subsidiary" means (1) any Subsidiary designated as such by the Board of Directors as set forth below where (a) neither the Company nor any of its other Subsidiaries (other than another Unrestricted Subsidiary) (i) provides credit support for, or Guarantee of, any Debt of such Subsidiary (including any undertaking, agreement or instrument evidencing such Debt) or (ii) is directly or indirectly liable for any Debt of such Subsidiary, and (b) no default with respect to any Debt of such Subsidiary (including any right which the holders thereof may have to take enforcement action against such Subsidiary) would permit (upon notice, lapse of time or both) any holder of any other Debt of the Company and its other Subsidiaries (other than another Unrestricted Subsidiary) to declare a default on such other Debt or cause the payment thereof to be accelerated or payable prior to its final scheduled maturity, and (2) any Subsidiary of an Unrestricted Subsidiary. The Board of Directors may designate any newly acquired or newly formed Subsidiary to be an Unrestricted Subsidiary unless such Subsidiary owns any Capital Stock of, or owns or holds any Lien on any property of, any other Subsidiary of the Company which is not a Subsidiary of the Subsidiary to be so designated or otherwise an Unrestricted Subsidiary, provided, that (x) the Subsidiary to be so designated has total assets of $1 million or less or (y) immediately after giving effect to such designation, the Company could Incur at least $1.00 of additional Debt pursuant to the first paragraph under Section 1008 and provided, further, that the Company could make a Restricted Payment pursuant to Section 1010 in an amount equal to the fair market value of such Subsidiary pursuant Clause (3) of Section 1010 and such amount is thereafter treated as a Restricted Payment for the purpose of calculating the aggregate amount available for Restricted Payments, under Section 1010 The Board of Directors may designate any Unrestricted Subsidiary

to be a Subsidiary, provided that, immediately after giving effect to such designation, the Company could Incur at least $1.00 of additional Debt pursuant to the first paragraph under Section 1008. Any such designation by the Board of Directors shall be evidenced to the Trustee by filing with the Trustee a certified copy of the resolution of the Board of Directors giving effect to such designation and an Officers' Certificate certifying that such designation complied with the foregoing conditions.

"Vice President", when used with respect to the Company or the Trustee, means any vice president, whether or not designated by a number or a word or words added before or after the title "vice president".

"Voting Stock" of any Person means Capital Stock of such Person which ordinarily has voting power for the election of directors (or persons performing similar functions) of such Person, whether at all times or only so long as no senior class of securities has such voting power by reason of any contingency.

"Wholly Owned Subsidiary" of any Person means a Subsidiary of such Person all of the outstanding Capital Stock or other ownership interests of which (other than directors' qualifying shares) shall at the time be owned by such Person or by one or more Wholly Owned Subsidiaries of such Person or by such Person and one or more Wholly Owned Subsidiaries of such Person. For purposes of this definition, AMETEK Hong Kong shall be deemed to be a Wholly Owned Subsidiary of the Company so long as the Company owns, directly or indirectly, at least 98% of the outstanding capital stock and voting interests thereof.

SECTION 102. Compliance Certificates and Opinions.

Upon any application or request by the Company to the Trustee to take any action under any provision of this Indenture, the Company shall furnish to the Trustee such certificates and opinions as may be required under the Trust Indenture Act. Each such certificate or opinion shall be given in the form of an Officers' Certificate, if to be given by an officer of the Company, or an Opinion of Counsel, if to be given by counsel, and shall comply with the requirements of the Trust Indenture Act and any other requirement set forth in this Indenture.

Every certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture shall include

(1) a statement that each individual signing such certificate or opinion has read such covenant or condition and the definitions herein relating thereto;

(2) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;

(3) a statement that, in the opinion of each such individual, he has made such examination or investigation as is necessary to enable him to express an informed opinion as to whether or not such covenant or condition has been complied with; and

(4) a statement as to whether, in the opinion of each such individual, such condition or covenant has been complied with.

SECTION 103. Form of Documents Delivered to Trustee.

In any case where several matters are required to be certified by, or covered by an opinion of, any specified Person, it is not necessary that all such matters be certified by, or covered by the opinion of, only one such Person, or that they be so certified or covered by only one document, but one such Person may certify or give an opinion with respect to some matters and one or more other such Persons as to other matters, and any such Person may certify or give an opinion as to such matters in one or several documents.

Any certificate or opinion of an officer of the Company may be based, insofar as it relates to legal matters, upon a certificate or opinion of, or representations by, counsel, unless such officer knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to the matters upon which his certificate or opinion is based are erroneous. Any such certificate or opinion of counsel may be based, insofar as it relates to factual matters, upon a certificate or opinion of, or representations by, an officer or officers of the Company stating that the information with

respect to such factual matters is in the possession of the Company, unless such counsel knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to such matters are erroneous.

Where any Person is required to make, give or execute two or more applications, requests, consents, certificates, statements, opinions or other instruments under this Indenture, they may, but need not, be consolidated and form one instrument.

SECTION 104. Acts of Holders; Record Date.

(a) Any request, demand, authorization, direction, notice, consent,

waiver or other action provided by this Indenture to be given or taken by Holders may be embodied in and evidenced by one or more instruments of substantially similar tenor signed by such Holders in person or by agent duly appointed in writing; and, except as herein otherwise expressly provided, such action shall become effective when such instrument or instruments are delivered to the Trustee and, where it is hereby expressly required, to the Company. Such instrument or instruments (and the action embodied therein and evidenced thereby) are herein sometimes referred to as the "Act" of the Holders signing such instrument or instruments. Proof of execution of any such instrument or of a writing appointing any such agent shall be sufficient for any purpose of this Indenture and (subject to Section 601) conclusive in favor of the Trustee and the Company, if made in the manner provided in this Section.

(b) The fact and date of the execution by any Person of any such instrument or writing may be proved by the affidavit of a witness of such execution or by a certificate of a notary public or other officer authorized by law to take acknowledgments of deeds, certifying that the individual signing such instrument or writing acknowledged to him the execution thereof. Where such execution is by a signer acting in a capacity other than his individual capacity, such certificate or affidavit shall also constitute sufficient proof of his authority. The fact and date of the execution of any such instrument or writing, or the authority of the Person executing the same, may also be proved in any other manner which the Trustee deems sufficient.

(c) The Company may, in the circumstances permitted by the Trust Indenture Act, fix any day as the record date for the purpose of determining the Holders entitled to

give or take any request, demand, authorization, direction, notice, consent, waiver or other action, or to vote on any action, authorized or permitted to be given or taken by Holders. If not set by the Company prior to the first solicitation of a Holder made by any Person in respect of any such action, or, in the case of any such vote, prior to such vote, the record date for any such action or vote shall be the 30th day (or, if later, the date of the most recent list of Holders required to be provided pursuant to Section 701) prior to such first solicitation or vote, as the case may be. With regard to any record date, only the Holders on such date (or their duly designated proxies) shall be entitled to give or take, or vote on, the relevant action.

(d) The ownership of Securities shall be proved by the Security Register.

(e) Any request, demand, authorization, direction, notice, consent, waiver or other Act of the Holder of any Security shall bind every future Holder of the same Security and the Holder of every Security issued upon the registration of transfer thereof or in exchange therefor or in lieu thereof in respect of anything done, omitted or suffered to be done by the Trustee or the Company in reliance thereon, whether or not notation of such action is made upon such Security.

SECTION 105. Notices, Etc., to Trustee and Company.

Any request, demand, authorization, direction, notice, consent, waiver or Act of Holders or other document provided or permitted by this Indenture to be made upon, given or furnished to, or filed with,

(1) the Trustee by any Holder or by the Company shall be sufficient for every purpose hereunder if made, given, furnished or filed in writing to or with the Trustee at its Corporate Trust Office, Attention: Administration, or

(2) the Company by the Trustee or by any Holder shall be sufficient for every purpose hereunder (unless otherwise herein expressly provided) if in writing and mailed, first-class postage prepaid, to the Company addressed to it at the address of its principal office specified in the first paragraph of this instrument or at any other address

previously furnished in writing to the Trustee by the Company.

SECTION 106. Notice to Holders; Waiver.

Where this Indenture provides for notice to Holders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and mailed, first-class postage prepaid, to each Holder affected by such event, at his address as it appears in the Security Register, not later than the latest date (if any), and not earlier than the earliest date (if any), prescribed for the giving of such notice. In any case where notice to Holders is given by mail, neither the failure to mail such notice, nor any defect in any notice so mailed, to any particular Holder shall affect the sufficiency of such notice with respect to other Holders. Where this Indenture provides for notice in any manner, such notice may be waived in writing by the Person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders shall be filed with the Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

In case by reason of the suspension of regular mail service or by reason of any other cause it shall be impracticable to give such notice by mail, then such notification as shall be made with the approval of the Trustee shall constitute a sufficient notification for every purpose hereunder.

SECTION 107. Conflict with Trust Indenture Act.

If any provision hereof limits, qualifies or conflicts with a provision of the Trust Indenture Act that is required under such Act to be part of and govern this Indenture, the latter provision shall control. If any provision of this Indenture modifies or excludes any provision of the Trust Indenture Act that may be so modified or excluded, the latter provision shall be deemed to apply to this Indenture as so modified or to be excluded, as the case may be.

SECTION 108. Effect of Headings and Table of Contents.

The Article and Section headings herein and the Table of Contents are for convenience only and shall not affect the construction hereof.

SECTION 109. Successors and Assigns.

All covenants and agreements in this Indenture by the Company shall bind its successors and assigns, whether so expressed or not.

SECTION 110. Separability Clause.

In case any provision in this Indenture or in the Securities shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

SECTION 111. Benefits of Indenture.

Nothing in this Indenture or in the Securities, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder and the Holders of Securities, any benefit or any legal or equitable right, remedy or claim under this Indenture.

SECTION 112. GOVERNING LAW.

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

SECTION 113. Legal Holidays.

In any case where any Interest Payment Date, Redemption Date, Purchase Date or Stated Maturity of any Security shall not be a Business Day, then (notwithstanding any other provision of this Indenture or of the Securities) payment of interest or principal (and premium, if any) need not be made on such date, but may be made on the next succeeding Business Day with the same force and effect as if made on the Interest Payment Date, Redemption Date or Purchase Date, or at the Stated Maturity, provided that no interest shall accrue for the period from and after such Interest Payment Date, Redemption Date or Purchase Date or Stated Maturity, as the case may be.

ARTICLE TWO

Security Forms

SECTION 201. Forms Generally.

The Securities and the Trustee's certificates of authentication shall be in substantially the forms set forth in this Article, with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture, and may have such letters, numbers or other marks of identification and such legends or endorsements placed thereon as may be required to comply with the rules of any securities exchange or as may, consistently herewith, be determined by the officers executing such Securities, as evidenced by their execution of the Securities.

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

SECTION 202. Form of Face of Security.

___% SENIOR NOTES DUE 2006

No. _____ $_____

AMETEK, Inc., a corporation duly organized and existing under the laws of Delaware (herein called the "Company", which term includes any successor Person under the Indenture hereinafter referred to), for value received, hereby promises to pay to _____, or registered assigns, the principal sum of _____ Dollars on _____, 2006, and to pay interest thereon from _____, 1994 or from the most recent Interest Payment Date to which interest has been paid or duly provided for, semi-annually on _____ and _____ in each year, commencing _____, at the rate of ___% per annum, until the principal hereof is paid or made available for payment, and (to the extent that the payment of such interest shall be legally enforceable) at the rate of [2% over coupon]% per annum on any overdue principal and premium and on any overdue installment of interest until paid. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in such Indenture,

be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest, which shall be the or

(whether or not a Business Day), as the case may be, next preceding such Interest Payment Date. Any such interest not so punctually paid or duly provided for will forthwith cease to be payable to the Holder on such Regular Record Date and may either be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Trustee, notice whereof shall be given to Holders of Securities not less than 10 days prior to such Special Record Date, or be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Securities may be listed, and upon such notice as may be required by such exchange, all as more fully provided in said Indenture.

Payment of the principal of (and premium, if any) and interest on this Security will be made at the office or agency of the Company maintained for that purpose in the Borough of Manhattan, The City of New York, New York in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts; provided, however, that at the option of the Company payment of interest may be made by check mailed to the address of the Person entitled thereto as such address shall appear in the Security Register.

Reference is hereby made to the further provisions of this Security set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

Unless the certificate of authentication hereon has been executed by the Trustee referred to on the reverse hereof by manual signature, this Security shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed under its corporate seal.

Dated:

AMETEK, Inc.

[Seal]

By_____

_____

Title:

Attest:

_____

Title:

SECTION 203. Form of Reverse of Security.

This Security is one of a duly authorized issue of Securities of the Company designated as its __ % Senior Notes due 2006 (herein called the "Securities"), limited in aggregate principal amount to $150,000,000, issued and to be issued under an Indenture, dated as of _____, 1994 (herein called the "Indenture"), between the Company and CoreStates Bank, N.A., as Trustee (herein called the "Trustee", which term includes any successor trustee under the Indenture), to which Indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Trustee and the Holders of the Securities and of the terms upon which the Securities are, and are to be, authenticated and delivered.

The Securities are subject to redemption upon not less than 30 nor more than 60 days' notice by mail, at any time on or after _____, 1999, as a whole or in part, at the election of the Company, at the following Redemption Prices (expressed as percentages of the principal amount): If redeemed during

the 12-month period beginning _____ of the years indicated,

Year	Redemption Price
1999	_____%
2000	_____%
2001 and thereafter	100%

together in the case of any such redemption with accrued interest to the Redemption Date, but interest installments whose Stated Maturity is on or prior to such Redemption Date will be payable to the Holders of such Securities, or one or more Predecessor Securities, of record at the close of business on the relevant Record Dates referred to on the face hereof, all as provided in the Indenture.

The Securities do not have the benefit of any sinking fund obligations.

In the event of redemption or purchase pursuant to an Offer to Purchase of this Security in part only, a new Security or Securities for the unredeemed or unpurchased portion hereof will be issued in the name of the Holder, or the Person designated by such Holder, hereof upon the cancellation hereof.

If an Event of Default shall occur and be continuing, the principal of all the Securities may be declared due and payable in the manner and with the effect provided in the Indenture.

The Indenture provides that if a Change of Control occurs the Company shall be required to make an Offer to Purchase all of the Securities.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Securities under the Indenture at any time by the Company and the Trustee with the consent of the Holders of a majority in aggregate principal amount of the Securities at the time Outstanding. The Indenture also contains provisions permitting the Holders of specified percentages in aggregate principal amount of the Securities at the time Outstanding, on behalf of the Holders of all the Securities, to waive compliance by the Company with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Security shall be conclusive and binding upon such Holder and upon all future Holders of this Security and of any Security issued upon the registration of transfer hereof or in exchange herefor or in lieu

hereof, whether or not notation of such consent or waiver is made upon this Security.

No reference herein to the Indenture and no provision of this Security or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of (and premium, if any) and interest on this Security at the times, place and rate, and in the coin or currency, herein prescribed.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Security is registrable in the Security Register, upon surrender of this Security for registration of transfer at the office or agency of the Company in the Borough of Manhattan, The City of New York, New York duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar duly executed by, the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Securities, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

The Securities are issuable only in registered form without coupons in

denominations of $1,000 and any integral multiple thereof. As provided in the Indenture and subject to certain limitations therein set forth, Securities are exchangeable for a like aggregate principal amount of Securities of a different authorized denomination, as requested by the Holder surrendering the same.

No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Security for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Security is registered as the owner hereof for all purposes, whether or not this Security be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

Interest on this Security shall be computed on the basis of a 360-day year of twelve 30-day months.

All terms used in this Security which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

The Indenture and this Security shall be governed by and construed in accordance with the laws of the State of New York.

OPTION OF HOLDER TO ELECT PURCHASE

If you want to elect to have this Security purchased in its entirety by the Company pursuant to Section 1015, of the Indenture, check the box:

[_]

If you want to elect to have only a part of this Security purchased by the Company pursuant to Section 1015, of the Indenture, state the amount: $

Dated: Your Signature:_____
(Sign exactly as name appears on the other side of this Security)

Signature Guarantee:_____
(Signature must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company)

SECTION 204. Form of Trustee's Certificate of Authentication.

This is one of the Securities referred to in the within-mentioned Indenture.

_____
as Trustee

By _____
Authorized Officer

ARTICLE THREE

The Securities

SECTION 301. Title and Terms.

The aggregate principal amount of Securities which may be authenticated and delivered under this Indenture is limited to $150,000,000, except for Securities authenticated and delivered upon registration of transfer of, or in exchange for, or in lieu of, other Securities pursuant to Section 304, 305, 306, 906 or 1108 or in connection with an Offer to Purchase pursuant to Section 1015.

The Securities shall be known and designated as the " __ % Senior Notes due 2006" of the Company. Their Stated Maturity shall be _____, 2006 and they shall bear interest at the rate of ____% per annum, from _____, 1994 or from the most recent Interest Payment Date to which interest has been paid or duly provided for, as the case may be, payable semi- annually on _____ and _____, commencing _____, 1994, until the principal thereof is paid or made available for payment.

The principal of (and premium, if any) and interest on the Securities shall be payable at the office or agency of the Company in the Borough of Manhattan, The City of New York, New York maintained for such purpose and at any other office or agency maintained by the Company for such purpose; provided, --------
however, that at the option of the Company payment of interest may be made by - -------
check mailed to the address of the Person entitled thereto as such address shall appear in the Security Register.

The Securities shall be subject to repurchase by the Company pursuant to an Offer to Purchase as provided in Section 1015.

The Securities shall be redeemable as provided in Article Eleven.

SECTION 302. Denominations.

The Securities shall be issuable only in registered form without coupons and only in denominations of $1,000 and any integral multiple thereof.

SECTION 303. Execution, Authentication, Delivery and Dating.

The Securities shall be executed on behalf of the Company by its Chairman of the Board, its President or one of its Vice Presidents, under its corporate seal reproduced thereon attested by its Secretary or one of its Assistant Secretaries. The signature of any of these officers on the Securities may be manual or facsimile.

Securities bearing the manual or facsimile signatures of individuals who were at any time the proper officers of the Company shall bind the Company, notwithstanding that such individuals or any of them have ceased to hold such offices prior to the authentication and delivery of such Securities or did not hold such offices at the date of such Securities.

At any time and from time to time after the execution and delivery of this Indenture, the Company may deliver Securities executed by the Company to the Trustee for authentication, together with a Company Order for the authentication and delivery of such Securities; and the Trustee in accordance with such Company Order shall authenticate and deliver such Securities as in this Indenture provided and not otherwise.

Each Security shall be dated the date of its authentication.

No Security shall be entitled to any benefit under this Indenture or be valid or obligatory for any purpose unless there appears on such Security a certificate of authentication substantially in the form provided for herein executed by the Trustee by manual signature, and such certificate upon any Security shall be conclusive evidence, and the only evidence, that such Security has been duly authenticated and delivered hereunder.

SECTION 304. Temporary Securities.

Pending the preparation of definitive Securities, the Company may execute, and upon Company Order the Trustee shall authenticate and deliver, temporary Securities which are printed, lithographed, typewritten, mimeographed or otherwise produced, in any authorized denomination, substantially of the tenor of the definitive Securities in lieu of which they are issued and with such appropriate insertions, omissions, substitutions and other variations as the

officers executing such Securities may determine, as evidenced by their execution of such Securities.

If temporary Securities are issued, the Company will cause definitive Securities to be prepared without unreasonable delay. After the preparation of definitive Securities, the temporary Securities shall be exchangeable for definitive Securities upon surrender of the temporary Securities at any office or agency of the Company designated pursuant to Section 1002, without charge to the Holder. Upon surrender for cancellation of any one or more temporary Securities the Company shall execute and the Trustee shall authenticate and deliver in exchange therefor a like principal amount of definitive Securities of authorized denominations. Until so exchanged the temporary Securities shall in all respects be entitled to the same benefits under this Indenture as definitive Securities.

SECTION 305. Registration, Registration of Transfer and Exchange.

The Company shall cause to be kept at the Corporate Trust Office of the Trustee a register (the register maintained in such office and in any other office or agency designated pursuant to Section 1002 being herein sometimes collectively referred to as the "Security Register") in which, subject to such reasonable regulations as it may prescribe, the Company shall provide for the registration of Securities and of transfers of Securities. The Trustee is hereby appointed "Security Registrar" for the purpose of registering Securities and transfers of Securities as herein provided.

Upon surrender for registration of transfer of any Security at an office or agency of the Company designated pursuant to Section 1002 for such purpose, the Company shall execute, and the Trustee shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Securities of any authorized denominations and of a like aggregate principal amount.

At the option of the Holder, Securities may be exchanged for other Securities of any authorized denominations and of a like aggregate principal amount, upon surrender of the Securities to be exchanged at such office or agency. Whenever any Securities are so surrendered for exchange, the Company shall execute, and the Trustee shall authenticate and deliver, the Securities which the Holder making the exchange is entitled to receive.

All Securities issued upon any registration of transfer or exchange of Securities shall be the valid obligations of the Company, evidencing the same debt, and entitled to the same benefits under this Indenture, as the Securities surrendered upon such registration of transfer or exchange.

Every Security presented or surrendered for registration of transfer or for exchange shall (if so required by the Company or the Trustee) be duly endorsed, or be accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar duly executed, by the Holder thereof or his attorney duly authorized in writing.

No service charge shall be made for any registration of transfer or exchange of Securities, but the Company may require payment of a sum sufficient

to cover any tax or other governmental charge that may be imposed in connection with any registration of transfer or exchange of Securities, other than exchanges pursuant to Section 304, 906 or 1108 or in accordance with any Offer to Purchase pursuant to Section 1015 not involving any transfer.

The Company shall not be required (i) to issue, register the transfer of or exchange any Security during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of Securities selected for redemption under Section 1104 and ending at the close of business on the day of such mailing, or (ii) to register the transfer of or exchange any Security so selected for redemption in whole or in part, except the unredeemed portion of any Security being redeemed in part.

SECTION 306. Mutilated, Destroyed, Lost and Stolen Securities.

If any mutilated Security is surrendered to the Trustee, the Company shall execute and the Trustee shall authenticate and deliver in exchange therefor a new Security of like tenor and principal amount and bearing a number not contemporaneously outstanding.

If there shall be delivered to the Company and the Trustee (i) evidence to their satisfaction of the destruction, loss or theft of any Security and (ii) such security or indemnity as may be required by them to save each of them and any agent of either of them harmless, then, in the absence of notice to the Company or the Trustee that such Security has been acquired by a bona fide purchaser, the

Company shall execute and upon its request the Trustee shall authenticate and deliver, in lieu of any such destroyed, lost or stolen Security, a new Security of like tenor and principal amount and bearing a number not contemporaneously outstanding.

If after the delivery of such new Security, a bona fide purchaser of the original Security in lieu of which such new Security was issued presents for payment such original Security, the Company and the Trustee shall be entitled to recover such new Security from the person to whom it was delivered or any transferee thereof, except a bona fide purchaser, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost or expense incurred by the Company or the Trustee in connection therewith.

In case any such mutilated, destroyed, lost or stolen Security has become or is about to become due and payable, the Company in its discretion may, instead of issuing a new Security, pay such Security.

Upon the issuance of any new Security under this Section, the Company may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Trustee) connected therewith.

Every new Security issued pursuant to this Section in lieu of any destroyed, lost or stolen Security shall constitute an original additional contractual obligation of the Company, whether or not the destroyed, lost or stolen Security shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Indenture equally and proportionately with any and all other Securities duly issued hereunder.

The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Securities.

SECTION 307. Payment of Interest; Interest Rights Preserved.

Interest on any Security which is payable, and is punctually paid or

duly provided for, on any Interest Payment Date shall be paid to the Person in whose name that Security (or one or more Predecessor Securities) is regis-

tered at the close of business on the Regular Record Date for such interest.

Any interest on any Security which is payable, but is not punctually paid or duly provided for, on any Interest Payment Date (herein called "Defaulted Interest") shall forthwith cease to be payable to the Holder on the relevant Regular Record Date by virtue of having been such Holder, and such Defaulted Interest may be paid by the Company, at its election in each case, as provided in Clause (1) or (2) below:

(1) The Company may elect to make payment of any Defaulted Interest to the Persons in whose names the Securities (or their respective Predecessor Securities) are registered at the close of business on a Special Record Date for the payment of such Defaulted Interest, which shall be fixed in the following manner. The Company shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on each Security and the date of the proposed payment, and at the same time the Company shall deposit with the Trustee an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the Persons entitled to such Defaulted Interest as in this Clause provided. Thereupon the Trustee shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 days and not less than 10 days prior to the date of the proposed payment and not less than 10 days after the receipt by the Trustee of the notice of the proposed payment. The Trustee shall promptly notify the Company of such Special Record Date and, in the name and at the expense of the Company, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class postage prepaid, to each Holder at his address as it appears in the Security Register, not less than 10 days prior to such Special Record Date. Notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor hav-

ing been so mailed, such Defaulted Interest shall be paid to the Persons in whose names the Securities (or their respective Predecessor Securities) are registered at the close of business on such Special Record Date and shall no longer be payable pursuant to the following Clause (2).

(2) The Company may make payment of any Defaulted Interest in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Securities may be listed, and upon such notice as may be required by such exchange, if, after notice given by the Company to the Trustee of the proposed payment pursuant to this Clause, such manner of payment shall be deemed practicable by the Trustee.

Subject to the foregoing provisions of this Section, each Security delivered under this Indenture upon registration of transfer of or in exchange for or in lieu of any other Security shall carry the rights to interest accrued and unpaid, and to accrue, which were carried by such other Security.

SECTION 308. Persons Deemed Owners.

Prior to due presentment of a Security for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name such Security is registered as the owner of such Security for the purpose of receiving payment of principal of (and premium, if any) and (subject to Section 307) interest on such Security and for all other purposes whatsoever, whether or not such Security be overdue, and neither the Company, the Trustee nor any agent of the Company or the Trustee shall be affected by notice to the contrary.

SECTION 309. Cancellation.

All Securities surrendered for payment, redemption, registration of transfer or exchange or any Offer to Purchase pursuant to Section 1015 shall, if surrendered to any Person other than the Trustee, be delivered to the Trustee and shall be promptly cancelled by it. The Company may at any time deliver to the Trustee for cancellation any Securities previously authenticated and delivered hereunder which the Company may have acquired in any manner whatso-

ever, and all Securities so delivered shall be promptly cancelled by the Trustee. No Securities shall be authenticated in lieu of or in exchange for any Securities cancelled as provided in this Section, except as expressly permitted by this Indenture. All cancelled Securities held by the Trustee shall be disposed of in accordance with the Trustee's customary practices unless otherwise directed by a Company Order.

SECTION 310. Computation of Interest.

Interest on the Securities shall be computed on the basis of a 360-day year of twelve 30-day months.

ARTICLE FOUR

Satisfaction and Discharge

SECTION 401. Satisfaction and Discharge of Indenture.

This Indenture shall cease to be of further effect (except as to any surviving rights of registration of transfer or exchange of Securities herein expressly provided for), and the Trustee, on demand of and at the expense of the Company, shall execute proper instruments acknowledging satisfaction and discharge of this Indenture, when

(1) either

(A) all Securities theretofore authenticated and delivered (other than (i) Securities which have been destroyed, lost or stolen and which have been replaced or paid as provided in Section 306 and (ii) Securities for whose payment money has theretofore been deposited in trust or segregated and held in trust by the Company and thereafter repaid to the Company or discharged from such trust, as provided in Section 1003) have been delivered to the Trustee for cancellation; or

(B) all such Securities not theretofore delivered to the Trustee for cancellation

(i) have become due and payable, or

(ii) will become due and payable at their Stated Maturity within one year, or

(iii) are to be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense, of the Company,

and the Company, in the case of (i), (ii) or (iii) above, has deposited or caused to be deposited with the Trustee as trust funds in trust for that purpose an amount sufficient to pay and discharge the entire indebtedness on such Securities not theretofore delivered to the Trustee for cancellation, for principal (and premium, if any) and interest to the date of such deposit (in the case of Securities which have become due and payable) or to the Stated Maturity or Redemption Date, as the case may be;

(2) the Company has paid or caused to be paid all other sums payable hereunder by the Company; and

(3) the Company has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent herein provided for relating to the satisfaction and discharge of this Indenture have been complied with.

Notwithstanding the satisfaction and discharge of this Indenture pursuant to this Article Four, the obligations of the Company to the Trustee under Section 607 and, if money shall have been deposited with the Trustee pursuant to sub-clause (B) of Clause (1) of this Section, the obligations of the Trustee under Section 402 and the last paragraph of Section 1003 shall survive.

SECTION 402. Application of Trust Money.

Subject to the provisions of the last paragraph of Section 1003, all money deposited with the Trustee pursuant to Section 401 shall be held in trust (without liability for the payment of interest thereon or the investment thereof)

and applied by it, in accordance with the provisions of the Securities and this Indenture, to the payment, either directly or through any Paying Agent (including the Company acting as its own Paying Agent) as the Trustee may determine, to the Persons entitled thereto, of the principal (and premium, if any) and interest for whose payment such money has been deposited with the Trustee.

ARTICLE FIVE

Remedies

SECTION 501. Events of Default.

"Event of Default", wherever used herein, means any one of the following events (whatever the reason for such Event of Default and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

(1) default in the payment of the principal of (or premium, if any, on) any Security at its Maturity; or

(2) default in the payment of any interest upon any Security when it becomes due and payable, and continuance of such default for a period of 30 days; or

(3) default, on the applicable Purchase Date, in the purchase of Securities required to be purchased by the Company pursuant to an Offer to Purchase as to which an Offer has been mailed to Holders; or

(4) default in the performance, or breach, of Section 801; or

(5) default in the performance, or breach, of any covenant or warranty of the Company in this Indenture (other than a covenant or warranty a default in whose performance or whose breach is elsewhere in this Section specifically dealt with), and continuance of such default or breach for a period of 30 days after there has been given, by registered or certified mail, to the Company by the Trustee or to the Company and

the Trustee by the Holders of at least 25% in principal amount of the Outstanding Securities a written notice specifying such default or breach and requiring it to be remedied and stating that such notice is a "Notice of Default" hereunder; or

(6) a default or defaults under any bond(s), debenture(s), note(s) or other evidence(s) of Debt by the Company or any Significant Subsidiary of the Company or under any mortgage(s), indenture(s) or instrument(s) under which there may be issued or by which there may be secured or evidenced any Debt of such type by the Company or any such Significant Subsidiary with a principal amount then outstanding, individually or in the aggregate, in excess of $10 million, whether such Debt now exists or shall hereafter be created, which default or defaults shall constitute a failure to pay any portion of the principal of such Debt when due at the final maturity of such Debt or shall have resulted in such Debt becoming or being declared due and payable prior to the date on which it would otherwise have become due and payable, which acceleration remains uncured for 10 days; or

(7) a final judgment or final judgments for the payment of money are entered against the Company or any Significant Subsidiary of the Company in an aggregate amount in excess of $10 million by a court or courts of competent jurisdiction, which judgments remain undischarged or unbonded for a period (during which execution shall not be effectively stayed) of 60 days after the right to appeal all such judgments has expired; or

(8) the entry by a court having jurisdiction in the premises of (A) a decree or order for relief in respect of the Company or any Significant Subsidiary of the Company in an involuntary case or proceeding under any applicable Federal or State bankruptcy, insolvency, reorganization or other similar law or (B) a decree or order adjudging the Company or any such Significant Subsidiary a bankrupt or insolvent, or approving as properly filed a petition seeking reorganization,

arrangement, adjustment or composition of or in respect of the Company or any such Significant Subsidiary under any applicable Federal or State law, or appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Company or any such Significant Subsidiary or of any substantial part of the property of the Company or any such Significant Subsidiary, or ordering the winding up or liquidation of the affairs of the Company or any such Significant Subsidiary, and the continuance of any such decree or order for relief or any such other decree or order unstayed and in effect for a period of 60 consecutive days; or

(9) the commencement by the Company or any Significant Subsidiary of the Company of a voluntary case or proceeding under any applicable Federal or State bankruptcy, insolvency, reorganization or other similar law or of any other case or proceeding to be adjudicated a bankrupt or insolvent, or the consent by the Company or any such Significant Subsidiary to the entry of a decree or order for relief in respect of the Company or any Significant Subsidiary of the Company in an involuntary case or proceeding under any applicable Federal or State bankruptcy, insolvency, reorganization or other similar law or to the commencement of any bankruptcy or insolvency case or proceeding against the Company or any Significant Subsidiary of the Company, or the filing by the Company or any such Significant Subsidiary of a petition or answer or consent seeking reorganization or relief under any applicable Federal or State law, or the consent by the Company or any such Significant Subsidiary to the filing of such petition or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator or similar official of the Company or any Significant Subsidiary of the Company or of any substantial part of the property of the Company or any Significant Subsidiary of the Company, or the making by the Company or any Significant Subsidiary of the Company of an assignment for the benefit of creditors, or the admission by the Company

or any such Significant Subsidiary in writing of its inability to pay its debts generally as they become due, or the taking of corporate action by the Company or any such Significant Subsidiary in furtherance of any such action.

SECTION 502. Acceleration of Maturity; Rescission
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and Annulment.

If an Event of Default (other than an Event of Default specified in Section 501(8) or (9)) occurs and is continuing, then and in every such case the Trustee or the Holders of not less than 25% in principal amount of the Outstanding Securities may declare the principal of all the Securities to be due and payable immediately, by a notice in writing to the Company (and to the Trustee if given by Holders), and upon any such declaration such principal and any accrued interest shall become immediately due and payable. If an Event of Default specified in Section 501(8) or (9) occurs, the principal of and any accrued interest on the Securities then Outstanding shall ipso facto become immediately due and payable without any declaration or other Act on the part of the Trustee or any Holder.

At any time after such a declaration of acceleration has been made and before a judgment or decree for payment of the money due has been obtained by the Trustee as hereinafter in this Article provided, the Holders of a majority in principal amount of the Outstanding Securities, by written notice to the Company and the Trustee, may rescind and annul such declaration and its consequences if

(1) the Company has paid or deposited with the Trustee a sum sufficient to pay

(A) all overdue interest on all Securities,

(B) the principal of (and premium, if any, on) any Securities which have become due otherwise than by such declaration of acceleration (including any Securities required to have been purchased on the Purchase Date pursuant to an Offer to Purchase made by the Company) and, to the extent that payment of such interest is lawful, interest thereon at the rate provided by the Securities,

(C) to the extent that payment of such interest is lawful, interest upon overdue interest at the rate provided by the Securities, and

(D) all sums paid or advanced by the Trustee hereunder and all amounts owing under Section 607;

and

(2) all Events of Default, other than the non-payment of the principal of Securities which have become due solely by such declaration of acceleration, have been cured or waived as provided in Section 513.

No such rescission shall affect any subsequent default or impair any right consequent thereon.

SECTION 503. Collection of Indebtedness and Suits for Enforcement by Trustee.

The Company covenants that if

(1) default is made in the payment of any interest on any Security when such interest becomes due and payable and such default continues for a period of 30 days, or

(2) default is made in the payment of the principal of (or premium, if any, on) any Security at the Maturity thereof or, with respect to any Security required to have been purchased pursuant to an Offer to Purchase made by the Company, at the Purchase Date thereof,

the Company will, upon demand of the Trustee, pay to it, for the benefit of the Holders of such Securities, the whole amount then due and payable on such Securities for principal (and premium, if any) and interest, and, to the extent that payment of such interest shall be legally enforceable, interest on any

overdue principal (and premium, if any) and on any overdue interest, at the rate provided by the Securities, and, in addition thereto, such further amount as shall be sufficient to cover the costs and expenses of collection and all amounts owing the Trustee under Section 607.

If the Company fails to pay such amounts forthwith upon such demand, the Trustee, in its own name and as trustee of an express trust, may institute a judicial proceeding for the collection of the sums so due and unpaid, may prosecute such proceeding to judgment or final decree and may enforce the same against the Company or any other obligor upon the Securities and collect the moneys adjudged or decreed to be payable in the manner provided by law out of the property of the Company or any other obligor upon the Securities, wherever situated.

If an Event of Default occurs and is continuing, the Trustee may in its discretion proceed to protect and enforce its rights and the rights of the Holders by such appropriate judicial proceedings as the Trustee shall deem most effectual to protect and enforce any such rights, whether for the specific enforcement of any covenant or agreement in this Indenture or in aid of the exercise of any power granted herein, or to enforce any other proper remedy.

SECTION 504. Trustee May File Proofs of Claim.

In case of any judicial proceeding relative to the Company (or any other obligor upon the Securities), its property or its creditors, the Trustee shall be entitled and empowered, by intervention in such proceeding or otherwise, to take any and all actions authorized under the Trust Indenture Act in order to have claims of the Holders and the Trustee allowed in any such proceeding. In particular, the Trustee shall be authorized to collect and receive any moneys or other property payable or deliverable on any such claims and to distribute the same; and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Holder to make such payments to the Trustee and, in the event that the Trustee shall consent to the making of such payments directly to the Holders, to pay to the Trustee all amounts due it under Section 607.

No provision of this Indenture shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder any plan of reorganization, arrangement, adjustment or composition affecting the Securities or the rights of any Holder thereof or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding.

SECTION 505. Trustee May Enforce Claims Without Possession of Securities.

All rights of action and claims under this Indenture or the Securities may be prosecuted and enforced by the Trustee without the possession of any of the Securities or the production thereof in any proceeding relating thereto, and any such proceeding instituted by the Trustee shall be brought in its own name as trustee of an express trust, and any recovery of judgment shall, after provision for the payment of all amounts owing the Trustee under Section 607, be for the ratable benefit of the Holders of the Securities in respect of which such judgment has been recovered.

SECTION 506. Application of Money Collected.

Any money collected by the Trustee pursuant to this Article shall be applied in the following order, at the date or dates fixed by the Trustee and, in case of the distribution of such money on account of principal (or premium, if any) or interest, upon presentation of the Securities and the notation thereon of the payment if only partially paid and upon surrender thereof if fully paid:

FIRST: To the payment of all amounts due the Trustee under Section 607; and

SECOND: To the payment of the amounts then due and unpaid for principal of (and premium, if any) and interest on the Securities in respect of which or for the benefit of which such money has been collected, ratably, without preference or priority of any kind, according to the amounts due and payable on such Securities for principal (and premium, if any) and interest, respectively.

SECTION 507. Limitation on Suits.

No Holder of any Security shall have any right to institute any proceeding, judicial or otherwise, with respect to this Indenture, or for the appointment of a receiver or trustee, or for any other remedy hereunder, unless

(1) such Holder has previously given written notice to the Trustee of a continuing Event of Default;

(2) the Holders of not less than 25% in principal amount of the Outstanding Securities shall have made written request to the Trustee to institute proceedings in respect of such Event of Default in its own name as Trustee hereunder;

(3) such Holder or Holders have offered to the Trustee reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request;

(4) the Trustee for 60 days after its receipt of such notice, request and offer of indemnity has failed to institute any such proceeding; and

(5) no direction inconsistent with such written request has been given to the Trustee during such 60-day period by the Holders of a majority in principal amount of the Outstanding Securities;

it being understood and intended that no one or more Holders shall have any right in any manner whatever by virtue of, or by availing of, any provision of this Indenture to affect, disturb or prejudice the rights of any other Holders, or to obtain or to seek to obtain priority or preference over any other Holders or to enforce any right under this Indenture, except in the manner herein provided and for the equal and ratable benefit of all the Holders.

SECTION 508. Unconditional Right of Holders to Receive Principal, Premium and Interest.

Notwithstanding any other provision in this Indenture, the Holder of any Security shall have the right, which is absolute and unconditional, to receive payment of the principal of (and premium, if any) and (subject to Section 307) interest on such Security on the respective Stated Maturities expressed in such Security (or, in the case of redemption, on the Redemption Date or, in the case of an Offer to Purchase made by the Company and required to be accepted as to such Security, on the Purchase Date) and to institute suit for the enforcement of any such payment, and such rights shall not be impaired without the consent of such Holder.

SECTION 509. Restoration of Rights and Remedies.

If the Trustee or any Holder has instituted any proceeding to enforce any right or remedy under this Indenture and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to

the Trustee or to such Holder, then and in every such case, subject to any determination in such proceeding, the Company, the Trustee and the Holders shall be restored severally and respectively to their former positions hereunder and thereafter all rights and remedies of the Trustee and the Holders shall continue as though no such proceeding had been instituted.

SECTION 510. Rights and Remedies Cumulative.

Except as otherwise provided with respect to the replacement or payment of mutilated, destroyed, lost or stolen Securities in the last paragraph of Section 306, no right or remedy herein conferred upon or reserved to the Trustee or to the Holders is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

SECTION 511. Delay or Omission Not Waiver.

No delay or omission of the Trustee or of any Holder of any Security to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given by this Article or by law to the Trustee or to the Holders may be exercised from time to time, and as often as may be deemed expedient, by the Trustee or by the Holders, as the case may be.

SECTION 512. Control by Holders.

The Holders of a majority in principal amount of the Outstanding Securities shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on the Trustee, provided that

(1) such direction shall not be in conflict with any rule of law or with this Indenture,

(2) the Trustee may, but shall not be obligated, to take any other action deemed proper by the Trustee which is not inconsistent with such direction, and

(3) such direction shall not involve the Trustee in personal liability or be unjustly prejudicial to Holders not joining therein (it being understood that the Trustee shall have no responsibility to determine such prejudice).

SECTION 513. Waiver of Past Defaults.

The Holders of not less than a majority in principal amount of the Outstanding Securities may on behalf of the Holders of all the Securities waive any past default hereunder and its consequences, except a default

(1) in the payment of the principal of (or premium, if any) or interest on any Security (including any Security which is required to have been purchased pursuant to an Offer to Purchase which has been made by the Company), or

(2) in respect of a covenant or provision hereof which under Article Nine cannot be modified or amended without the consent of the Holder of each Outstanding Security affected.

Upon any such waiver, such default shall cease to exist, and any Event

of Default arising therefrom shall be deemed to have been cured, for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

SECTION 514. Undertaking for Costs.

In any suit for the enforcement of any right or remedy under this Indenture, or in any suit against the Trustee for any action taken, suffered or omitted by it as Trustee, a court may require any party litigant in such suit to file an undertaking to pay the costs of such suit, and

may assess costs against any such party litigant, in the manner and to the extent provided in the Trust Indenture Act; provided, that neither this Section nor the Trust Indenture Act shall be deemed to authorize any court to require such an undertaking or to make such an assessment in any suit instituted by the Trustee or the Holders of at least 10% in aggregate principal amount of Outstanding Securities.

SECTION 515. Waiver of Stay or Extension Laws.

The Company covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, or plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay or extension law wherever enacted, now or at any time hereafter in force, which may affect the covenants or the performance of this Indenture; and the Company (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law and covenants that it will not hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law had been enacted.

ARTICLE SIX

The Trustee

SECTION 601. Certain Duties and Responsibilities.

The duties and responsibilities of the Trustee shall be as provided by the Trust Indenture Act. Notwithstanding the foregoing, no provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it. Whether or not therein expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Section.

SECTION 602. Notice of Defaults.

The Trustee shall give the Holders notice of any default hereunder as and to the extent provided by the Trust

Indenture Act; provided, however, that in the case of any default of the character specified in Section 501(5), no such notice to Holders shall be given until at least 30 days after the occurrence thereof. For the purpose of this Section, the term "default" means any event which is, or after notice or lapse of time or both would become, an Event of Default.

SECTION 603. Certain Rights of Trustee.

Subject to the provisions of Section 601:

(a) the Trustee may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties;

(b) any request or direction of the Company mentioned herein shall be sufficiently evidenced by a Company Request or Company Order and any resolution of the Board of Directors may be sufficiently evidenced by a Board Resolution;

(c) whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee (unless other evidence be herein specifically prescribed) may, in the absence of bad faith on its part, rely upon an Officers' Certificate;

(d) the Trustee may consult with counsel and the advice of such counsel or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon;

(e) the Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the

request or direction of any of the Holders pursuant to this Indenture, unless such Holders shall have offered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction;

(f) the Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the Company, personally or by agent or attorney; and

(g) the Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder.

SECTION 604. Not Responsible for Recitals or Issuance of Securities.

The recitals contained herein and in the Securities, except the Trustee's certificates of authentication, shall be taken as the statements of the Company, and the Trustee assumes no responsibility for their correctness. The Trustee makes no representations as to the validity, enforceability against the Company or sufficiency of this Indenture or of the Securities. The Trustee shall not be accountable for the use or application by the Company of Securities or the proceeds thereof.

SECTION 605. May Hold Securities.

The Trustee, any Paying Agent, any Security Registrar or any other

agent of the Company, in its individual or any other capacity, may become the owner or pledgee of Securities and, subject to Sections 608 and 613, may otherwise deal with the Company with the same rights it would have if it were not Trustee, Paying Agent, Security Registrar or such other agent.

SECTION 606. Money Held in Trust.

Money held by the Trustee in trust hereunder need not be segregated from other funds except to the extent required by law. The Trustee shall be under no liability for interest on or investment of any money received by it hereunder except as otherwise agreed with the Company and any such interest or investment shall be for the exclusive benefit of the Company.

SECTION 607. Compensation and Reimbursement.

The Company agrees

(1) to pay to the Trustee from time to time reasonable compensation for all services rendered by it hereunder (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust);

(2) except as otherwise expressly provided herein, to reimburse the Trustee upon its request for all reasonable expenses, disbursements and advances incurred or made by the Trustee in accordance with any provision of this Indenture (including the reasonable compensation and the expenses and disbursements of its agents and counsel), except to the extent any such expense, disbursement or advance may be attributable to its negligence or bad faith; and

(3) to indemnify the Trustee for, and to defend and hold it harmless against, any loss, liability or expense, arising out of or in connection with the acceptance or administration of this trust or the performance of its duties hereunder, including the costs and

expenses of defending itself against any claim or liability in connection with the exercise or performance of any of its powers or duties hereunder, except to the extent any such loss, liability or expense is attributable to its negligence or bad faith.

To secure the Company's payment of obligations in this Section 607, the Trustee shall have a lien prior to the Securities on all money or property held or collected by the Trustee other than money or property held in trust to pay principal of, premium, if any, and interest on the Securities.

The Company's payment obligations pursuant to this Section 607 shall survive the discharge of this Indenture.

"Trustee" for purposes of this Section 607 includes the Trustee, every predecessor Trustee, any Paying Agent, Security Registrar or other agent of the Company appointed hereunder, but the negligence or bad faith of any such person shall not affect the rights of any other such person under this Section 607.

SECTION 608. Disqualification; Conflicting Interests.

If the Trustee has or shall acquire a conflicting interest within the meaning of the Trust Indenture Act, the Trustee shall either eliminate such interest or resign, to the extent and in the manner provided by, and subject to the provisions of, the Trust Indenture Act and this Indenture.

SECTION 609. Corporate Trustee Required; Eligibility.

There shall at all times be a Trustee hereunder which shall be a Person that is eligible pursuant to the Trust Indenture Act to act as such and

has a combined capital and surplus of at least $50,000,000. If such Person publishes reports of condition at least annually, pursuant to law or to the requirements of said supervising or examining authority, then for the purposes of this Section, the combined capital and surplus of such Person shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section, it shall resign immediately in the manner and with the effect hereinafter specified in this Article.

SECTION 610. Resignation and Removal; Appointment of Successor.

(a) No resignation or removal of the Trustee and no appointment of a successor Trustee pursuant to this Article shall become effective until the acceptance of appointment by the successor Trustee under Section 611.

(b) The Trustee may resign at any time by giving written notice thereof to the Company. If an instrument of acceptance by a successor Trustee shall not have been delivered to the Trustee within 30 days after the giving of such notice of resignation, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee.

(c) The Trustee may be removed at any time by Act of the Holders of a majority in principal amount of the Outstanding Securities, delivered to the Trustee and to the Company.

(d) If at any time:

(1) the Trustee shall fail to comply with Section 608 after written request therefor by the Company or by any Holder who has been a bona fide Holder of a Security for at least six months, or

(2) the Trustee shall cease to be eligible under Section 609 and shall fail to resign after written request therefor by the Company or by any such Holder, or

(3) the Trustee shall become incapable of acting or shall be adjudged a bankrupt or insolvent or a receiver of the Trustee or of its property shall be appointed or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation,

then, in any such case, (i) the Company by a Board Resolution may remove the Trustee, or (ii) subject to Section 514, any Holder who has been a bona fide Holder of a Security for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

(e) If the Trustee shall resign, be removed or become incapable of acting, or if a vacancy shall occur in the office of Trustee for any cause, the Company, by a Board Resolution, shall promptly appoint a successor Trustee. If, within one year after such resignation, removal or incapability, or the occurrence of such vacancy, a successor Trustee shall be appointed by Act of the Holders of a majority in principal amount of the Outstanding Securities delivered to the Company and the retiring Trustee, the successor Trustee so appointed shall, forthwith upon its acceptance of such appointment, become the successor Trustee and supersede the successor Trustee appointed by the Company. If no successor Trustee shall have been so appointed by the Company or the Holders and accepted appointment in the manner hereinafter provided, any Holder who has been a bona fide Holder of a Security for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the appointment of a successor Trustee.

(f) The Company shall give notice of each resignation and each removal of the Trustee and each appointment of a successor Trustee to all Holders in the manner provided in Section 106. Each notice shall include the name of the successor Trustee and the address of its Corporate Trust Office.

SECTION 611. Acceptance of Appointment by Successor.

Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to the Company and to the retiring Trustee an instrument accepting such appointment, and thereupon the resignation or removal of the retiring Trustee shall become effective and such successor Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the retiring Trustee; but, on request of the Company or the successor Trustee, such retiring Trustee shall, upon payment of its charges, execute and deliver an instrument transferring to such successor Trustee all the rights, powers and trusts of the retiring Trustee and shall duly assign, transfer and deliver to such successor Trustee all property and money held by such retiring Trustee hereunder. Upon request of any such successor Trustee, the Company shall execute any and all instruments for more fully and certainly vesting in and confirming to such successor Trustee all such rights, powers and trusts.

No successor Trustee shall accept its appointment unless at the time of such acceptance such successor Trustee shall be qualified and eligible under this Article.

SECTION 612. Merger, Conversion, Consolidation or Succession to Business.

Any corporation into which the Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any corporation succeeding to all or substantially all the corporate trust business of the Trustee, shall be the successor of the Trustee hereunder, provided such corporation shall be otherwise qualified and eligible under this Article, without the execution or filing of any paper or any further act on the part of any of the parties hereto. In case any Securities shall have been authenticated, but not delivered, by the Trustee then in office, any successor by merger, conversion or consolidation to such authenticating Trustee may adopt such authentication and deliver the Securities so authenticated with the same effect as if such successor Trustee had itself authenticated such Securities.

SECTION 613. Preferential Collection of Claims Against Company.

If and when the Trustee shall be or become a creditor of the Company (or any other obligor upon the Securities), the Trustee shall be subject to the provisions of the Trust Indenture Act regarding the collection of claims against the Company (or any such other obligor).

ARTICLE SEVEN

Holders' Lists and Reports by Trustee and Company

SECTION 701. Company to Furnish Trustee Names and Addresses of Holders.

The Company will furnish or cause to be furnished to the Trustee

(a) semi-annually, not more than 15 days after each Regular Record Date, a list, in such form as the Trustee may reasonably require, of the names and addresses of

the Holders as of such Regular Record Date, and

(b) at such other times as the Trustee may request in writing, within 30 days after the receipt by the Company of any such request, a list of similar form and content as of a date not more than 15 days prior to the time such list is furnished;

excluding from any such list names and addresses received by the Trustee in its capacity as Security Registrar.

SECTION 702. Preservation of Information; Communications to Holders.

(a) The Trustee shall preserve, in as current a form as is reasonably practicable, the names and addresses of Holders contained in the most recent list furnished to the Trustee as provided in Section 701 and the names and addresses of Holders received by the Trustee in its capacity as Security Registrar. The Trustee may destroy any list furnished to it as provided in Section 701 upon receipt of a new list so furnished.

(b) The rights of Holders to communicate with other Holders with respect to their rights under this Indenture or under the Securities and the corresponding rights and duties of the Trustee, shall be provided by the Trust Indenture Act.

(c) Every Holder of Securities, by receiving and holding the same, agrees with the Company and the Trustee that neither the Company nor the Trustee nor any agent of either of them shall be held accountable by reason of any disclosure of information as to the names and addresses of Holders made pursuant to the Trust Indenture Act.

SECTION 703. Reports by Trustee.

(a) The Trustee shall transmit to Holders such reports, if any, concerning the Trustee and its actions under this Indenture as may be required pursuant to the Trust Indenture Act at the times and in the manner provided pursuant thereto; provided, that reports pursuant to Section 313(a) of the Trust Indenture Act, if any, shall be transmitted on or before each July 15 and dated as of the preceding May 15.

(b) A copy of each such report shall, at the time of such transmission to Holders, be filed by the Trustee with each stock exchange upon which the Securities are listed, with the Commission and with the Company. The Company will notify the Trustee when the Securities are listed on any stock exchange.

SECTION 704. Reports by Company.

The Company shall file with the Trustee and the Commission, and transmit to Holders, such information, documents and other reports, and such summaries thereof, as may be required pursuant to the Trust Indenture Act at the times and in the manner provided pursuant to such Act; provided that any such information, documents or reports required to be filed with Commission pursuant to Section 13 or 15(d) of the Exchange Act shall be filed with the Trustee within 15 days after the same is so required to be filed with the Commission.

ARTICLE EIGHT

Consolidation, Merger, Conveyance, Transfer or Lease

SECTION 801. Company May Consolidate, Etc., Only on Certain Terms.

The Company (a) shall not consolidate with or merge into any other Person (other than a Wholly Owned Subsidiary); (b) shall not permit any other Person (other than a Wholly Owned Subsidiary) to consolidate with or merge into the Company; and (c) shall not, directly or indirectly, transfer, convey, sell, lease or otherwise dispose of all or substantially all of its properties and assets as an entirety unless, in any such transaction:

(1) immediately before and after giving effect to such transaction and treating any Debt Incurred by the Company or a Subsidiary of the Company as a result of such transaction as having been Incurred by the Company or such Subsidiary at the time of such transaction, no Event of Default, and no event which, after notice or lapse of time, or both, would become an Event of Default, shall have happened and be continuing;

(2) in the case the Company shall consolidate with or merge into another Person or

shall directly or indirectly transfer, convey, sell, lease or otherwise dispose of all or substantially all of its properties and assets as an entirety, the Person formed by such consolidation or into which the Company is merged or the Person which acquires by transfer, conveyance, sale, lease or other disposition all or substantially all of the properties and assets of the Company as an entirety (for purposes of this Article Eight, a "Successor Company") shall be a corporation, partnership or trust, shall be organized and validly existing under the laws of the United States of America, any State thereof or the District of Columbia and shall expressly assume by an indenture supplemental hereto executed and delivered to the Trustee, in form satisfactory to the Trustee, the due and punctual payment of the principal of (and premium, if any) and interest on all the Securities and the performance of every covenant of this Indenture on the part of the Company to be performed or observed;

(3) immediately after giving effect to such transaction, and treating any Debt Incurred by the Company as a result of such transaction as having been Incurred at the time of such transaction, the Company or the Successor Company could Incur at least $1.00 of additional Debt in compliance with the first paragraph of Section 1008;

(4) if, as a result of any such transaction, property and assets of the Company would become subject to a Lien which would not be permitted by Section 1012, the Company or, if applicable, the Successor Company, as the case may be, shall take such steps as shall be necessary effectively to secure the Securities equally and ratably with (or prior to) Debt secured by such Lien; or

(5) the Company has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that such consolidation, merger, conveyance, transfer, lease or acquisition and, if a supplemental indenture is required in connection with such transaction, such supplemental indenture,

complies with this Article and that all conditions precedent herein provided for relating to such transaction have been complied with, and, with respect to such Officers' Certificate, setting forth the manner of determination of the ability to Incur Debt in accordance with Clause (3) of Section 801, the Company or, if applicable, of the Successor Company as required pursuant to the foregoing.

SECTION 802. Successor Substituted.

Upon any consolidation of the Company with, or merger of the Company

into, any other Person or any transfer, conveyance, sale, lease or other disposition of all or substantially all of the properties and assets of the Company as an entirety in accordance with Section 801, the Successor Company shall succeed to, and be substituted for, and may exercise every right and power of, the Company under this Indenture with the same effect as if such successor Person had been named as the Company herein, and thereafter, except in the case of a lease, the predecessor Person shall be relieved of all obligations and covenants under this Indenture and the Securities.

ARTICLE NINE

Supplemental Indentures

SECTION 901. Supplemental Indentures
Without Consent of Holders.

Without the consent of any Holders, the Company, when authorized by a Board Resolution, and the Trustee, at any time and from time to time, may enter into one or more indentures supplemental hereto, in form satisfactory to the Trustee, for any of the following purposes:

(1) to evidence the succession of another Person to the Company and the assumption by any such successor of the covenants of the Company herein and in the Securities; or

(2) to add to the covenants of the Company for the benefit of the Holders, or to surrender any right or power herein conferred upon the Company; or

(3) to secure the Securities pursuant to the requirements of Section 1012 or otherwise; or

(4) to comply with any requirements of the Commission in order to effect and maintain the qualification of this Indenture under the Trust Indenture Act; or

(5) to cure any ambiguity, to correct or supplement any provision herein which may be inconsistent with any other provision herein, or to make any other provisions with respect to matters or questions arising under this Indenture which shall not be inconsistent with the provisions of this Indenture, provided such action pursuant to this Clause (5) shall not adversely affect the interests of the Holders in any material respect.

SECTION 902. Supplemental Indentures
with Consent of Holders.

With the consent of the Holders of not less than a majority in principal amount of the Outstanding Securities, by Act of said Holders delivered to the Company and the Trustee, the Company, when authorized by a Board Resolution, and the Trustee may enter into an indenture or indentures supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Indenture or of modifying in any manner the rights of the Holders under this Indenture; provided, however, that no such supplemental indenture shall, without the consent of the Holder of each Outstanding Security affected thereby,

(1) change the Stated Maturity of the principal of, or any instalment of interest on, any Security, or reduce the principal amount thereof or the rate of interest thereon, or any premium payable thereon, or change the place of payment where, or the coin or currency in which, any Security or any premium or the interest thereon is payable, or impair the right to institute suit for the enforcement of any such payment on or after the Stated Maturity thereof (or, in the case of redemption, on or after the Redemption Date or, in the case of an Offer to

Purchase which has been made, on or after the applicable Purchase Date), or

(2) reduce the percentage in principal amount of the Outstanding Securities, the consent of whose Holders is required for any such supplemental indenture, or the consent of whose Holders is required for any waiver (of compliance with certain provisions of this Indenture or certain defaults hereunder and their consequences) provided for in this Indenture, or

(3) modify any of the provisions of this Section, Section 513 or Section 1018, except to increase any such percentage or to provide that certain other provisions of this Indenture cannot be modified or waived without the consent of the Holder of each Outstanding Security affected thereby, or

(4) following the mailing of an Offer with respect to an Offer to Purchase pursuant to Section 1015, modify the provisions of this Indenture with respect to such Offer to Purchase in a manner adverse to such Holder.

It shall not be necessary for any Act of Holders under this Section to approve the particular form of any proposed supplemental indenture, but it shall be sufficient if such Act shall approve the substance thereof.

SECTION 903. Execution of Supplemental Indentures.

In executing, or accepting the additional trusts created by, any supplemental indenture permitted by this Article or the modifications thereby of the trusts created by this Indenture, the Trustee shall be entitled to receive, and (subject to Section 601) shall be fully protected in relying upon, an Opinion of Counsel stating that the execution of such supplemental indenture is authorized or permitted by this Indenture. The Trustee may, but shall not be obligated to, enter into any such supplemental indenture which affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

SECTION 904. Effect of Supplemental Indentures.

Upon the execution of any supplemental indenture under this Article, this Indenture shall be modified in accordance therewith, and such supplemental indenture shall form a part of this Indenture for all purposes; and every Holder of Securities theretofore or thereafter authenticated and delivered hereunder shall be bound thereby.

SECTION 905. Conformity with Trust Indenture Act.

Every supplemental indenture executed pursuant to this Article shall conform to the requirements of the Trust Indenture Act.

SECTION 906. Reference in Securities to Supplemental Indentures.

Securities authenticated and delivered after the execution of any supplemental indenture pursuant to this Article may, and shall if required by the Trustee, bear a notation in form approved by the Trustee as to any matter provided for in such supplemental indenture. If the Company shall so determine, new Securities so modified as to conform, in the opinion of the Trustee and the Company, to any such supplemental indenture may be prepared and executed by the Company and authenticated and delivered by the Trustee in exchange for Outstanding Securities.

ARTICLE TEN

Covenants

SECTION 1001. Payment of Principal, Premium and Interest.

The Company will duly and punctually pay the principal of (and premium, if any) and interest on the Securities in accordance with the terms of the Securities and this Indenture.

SECTION 1002. Maintenance of Office or Agency.

The Company will maintain in the Borough of Manhattan, The City of New York, New York an office or agency where Securities may be presented or surrendered for payment, where Securities may be surrendered for registra-

tion of transfer or exchange and where notices and demands to or upon the Company in respect of the Securities and this Indenture may be served. The Company will give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Company shall fail to maintain any such required office or agency or shall fail to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the Corporate Trust Office of the Trustee, and the Company hereby appoints the Trustee as its agent to receive all such presentations, surrenders, notices and demands.

The Company may also from time to time designate one or more other offices or agencies (in or outside the Borough of Manhattan, The City of New York, New York) where the Securities may be presented or surrendered for any or all such purposes and may from time to time rescind such designations; provided, however, that no such designation or rescission shall in any manner relieve the Company of its obligation to maintain an office or agency in the Borough of Manhattan, The City of New York, New York, for such purposes. The Company will give prompt written notice to the Trustee of any such designation or rescission and of any change in the location of any such other office or agency.

SECTION 1003. Money for Security Payments to be Held in Trust.

If the Company shall at any time act as its own Paying Agent, it will, on or before each due date of the principal of (and premium, if any) or interest on any of the Securities, segregate and hold in trust for the benefit of the Persons entitled thereto a sum sufficient to pay the principal (and premium, if any) or interest so becoming due until such sums shall be paid to such Persons or otherwise disposed of as herein provided and will promptly notify the Trustee of its action or failure so to act.

Whenever the Company shall have one or more Paying Agents, it will, prior to each due date of the principal of (and premium, if any) or interest on any Securities, deposit with a Paying Agent a sum sufficient to pay the principal (and premium, if any) or interest so becoming due, such sum to be held in trust for the benefit of the Persons entitled to such principal, premium or interest, and (unless such Paying Agent is the Trustee) the Company will promptly notify the Trustee of its action or failure so to act.

The Company will cause each Paying Agent other than the Trustee to execute and deliver to the Trustee an instrument in which such Paying Agent shall agree with the Trustee, subject to the provisions of this Section, that such Paying Agent will:

(1) hold all sums held by it for the payment of the principal of (and premium, if any) or interest on Securities in trust for the benefit of the Persons entitled thereto until such sums shall be paid to such Persons or otherwise disposed of as herein provided;

(2) give the Trustee notice of any default by the Company (or any other obligor upon the Securities) in the making of any payment of principal (and premium, if any) or interest; and

(3) at any time during the continuance of any such default, upon the written request of the Trustee, forthwith pay to the Trustee all sums so held in trust by such Paying Agent.

The Company may at any time, for the purpose of obtaining the satisfaction and discharge of this Indenture or for any other purpose, pay, or by Company Order direct any Paying Agent to pay, to the Trustee all sums held in trust by the Company or such Paying Agent, such sums to be held by the Trustee upon the same trusts as those upon which such sums were held by the Company or such Paying Agent; and, upon such payment by any Paying Agent to the Trustee, such Paying Agent shall be released from all further liability with respect to such money.

Any money deposited with the Trustee or any Paying Agent, or then held by the Company, in trust for the payment of the principal of (and premium, if any) or interest on any Security and remaining unclaimed for two years after such principal (and premium, if any) or interest has become due and payable shall be paid to the Company on Company Request, or (if then held by the Company) shall be discharged from such trust; and the Holder of such Security shall thereafter, as an unsecured general creditor, look only to the Company for payment thereof, and all liability of the Trustee or such Paying Agent with respect to such trust money, and all liability of the Company as trustee thereof, shall thereupon cease.

SECTION 1004. Existence.

Subject to Article Eight, the Company will do or cause to be done all things necessary to preserve and keep in full force and effect its existence, rights (charter and statutory) and franchises; provided, however, that the Company shall not be required to preserve any such right or franchise if the Board of Directors in good faith shall determine that the preservation thereof is no longer desirable in the conduct of the business of the Company and that the loss thereof is not disadvantageous in any material respect to the Holders.

SECTION 1005. Maintenance of Properties.

The Company will cause all properties used or useful in the conduct of its business or the business of any Subsidiary of the Company to be maintained and kept in reasonably good condition, repair and working order and supplied with all necessary equipment and will cause to be made all reasonably necessary repairs, renewals, replacements, betterments and improvements thereof, all as in the judgment of the Company may be necessary so that the business carried on in connection therewith may be conducted at all times; provided, however, that nothing in this Section shall prevent the Company from discontinuing the operation or maintenance of any of such properties if such discontinuance is, as determined by the Board of Directors in good faith, desirable in the conduct of its business or the business of any Subsidiary and not disadvantageous in any material respect to the Holders.

SECTION 1006. Payment of Taxes and Other Claims.

The Company will pay or discharge or cause to be paid or discharged, before the same shall become delinquent, (1) all taxes, assessments and governmental charges levied or imposed upon the Company or any of its Subsidiaries or upon the income, profits or property of the Company or any of

its Subsidiaries, and (2) all lawful claims for labor, materials and supplies which, if unpaid, might by law become a lien upon the property of the Company or any of its Subsidiaries; provided, however, that the Company shall not be
required to pay or discharge or cause to be paid or discharged any such tax, assessment, charge or claim whose amount, applicability or validity is being contested in good faith by appropriate proceedings.

SECTION 1007. Maintenance of Insurance.

The Company shall, and shall cause its Subsidiaries to, keep at all times all of their properties which are of an insurable nature insured against loss or damage with insurers believed by the Company to be responsible to the extent that property of similar character is usually so insured by corporations similarly situated and owning like properties in accordance with good business practice. The Company shall, and shall cause its Subsidiaries to, use the proceeds from any such insurance policy to repair, replace or otherwise restore the property to which such proceeds relate or, to the extent that any such proceeds are not used to repair, replace or otherwise restore such property (all such proceeds "remaining proceeds"), to use at least 75% of remaining proceeds to prepay outstanding Debt.

SECTION 1008. Limitation on Consolidated Debt.

The Company shall not Incur any Debt unless, immediately after giving effect to the Incurrence of such Debt and the receipt and application of the proceeds thereof, the Consolidated Cash Flow Ratio for the last four full fiscal quarters for which quarterly or annual financial statements are available next preceding the Incurrence of such Debt, calculated on a pro forma basis as if such Debt had been Incurred at the beginning of such four full fiscal quarters, would be greater than 2.5 to 1.

Notwithstanding the foregoing paragraph, the Company may Incur the following Debt:

(i) Debt under the Credit Agreement in an aggregate principal amount at any one time not to exceed $250 million, less principal payments actually made by the Company on any term Debt facility under the Credit Agreement (other than principal payments made in connection with or pursuant to a refinancing or refunding of the Credit Agreement), and any renewal, refinancing, refunding or extension thereof in an amount which, together with any amount remaining outstanding or available under the Credit Agreement immediately after such renewal, refinancing, refunding or extension does not exceed the sum of (x) the amount outstanding under the Term Debt Facilities and (y) the amount outstanding or available under the Revolving Credit Facilities immediately prior to such renewal, refinancing, refunding or extension, plus the amount of any premium required to be paid in connection with such renewal, refinancing, refunding or extension pursuant to the terms of the Debt renewed, refinanced, refunded or extended and the expenses of the Company Incurred in

connection with such renewal, refinancing, refunding or extension;

(ii) Debt owed by the Company to any Wholly Owned Subsidiary of the Company; provided, however, that for purposes of this Section 1008, upon
either (x) the transfer or other disposition by such Wholly Owned Subsidiary of any Debt so permitted to a Person other than the Company or another Wholly Owned Subsidiary of the Company or (y) the issuance (other than directors' qualifying shares), sale, lease, transfer or other disposition of shares of Capital Stock (including by consolidation or merger) of such Wholly Owned Subsidiary to a Person other than the Company or another such Wholly Owned Subsidiary, the provisions of this Clause (ii) shall no longer be applicable to such Debt and such Debt shall be deemed to have been Incurred at the time of such transfer or other disposition;

(iii) Debt in respect of letters of credit issued in the ordinary course of the Company's business not to exceed $15 million at any one time outstanding;

(iv) Debt under any Interest Rate, Currency or Commodity Protection Agreements;

(v) Debt consisting of borrowings against the cash value of Corporate Owned Life Insurance Policies;

(vi) renewals, refinancings, refundings or extensions of any outstanding Debt Incurred in compliance with the first paragraph of this Section 1008 or of the Securities; provided, however, that such Debt does not exceed the principal amount of Debt so renewed, refinanced, refunded or extended plus the amount of any premium required to be paid in connection with such renewal, refinancing, refunding or extension pursuant to the terms of the Debt renewed, refinanced, refunded or extended and the expenses of the Company Incurred in connection with such renewal, refinancing, refunding or extension; and provided further, that Debt the proceeds of which are used to renew, refinance, refund or extend Debt which is pari passu to the Securities or Debt which is subordinate in right of payment to the Securities shall only be permitted if (A) in the case of any renewal, refinancing, refunding or extension of Debt which is pari passu to the Securities, the renewal, refinancing, refunding or extension Debt is made pari passu to the Securities or subordinated to the Securities, and, in the case of any renewal, refinancing, refunding or extension of Debt which is subordinated to the Securities, the renewal, refinancing, refunding or extension Debt constitutes Subordinated Debt and (B) in either case, the renewal, refinancing, refunding or

extension Debt by its terms, or by the terms of any agreement or instrument pursuant to which such Debt is issued, (x) does not provide for payments of principal of such Debt at the stated maturity thereof or by way of a sinking fund applicable thereto or by way of any mandatory redemption, defeasance, retirement or repurchase thereof by the Company (including any redemption, retirement or repurchase which is contingent upon events or circumstances, but excluding any retirement required by virtue of acceleration of such Debt upon any event of default thereunder), in each case prior to the stated maturity of the Debt being refinanced or refunded and (y) does not permit redemption or other retirement (including pursuant to an offer to purchase made by the Company) of such debt at the option of the holder thereof prior to the final stated maturity of the Debt being refinanced or refunded, other than a redemption or other retirement at the option of the holder of such Debt (including pursuant to an offer to purchase made by the Company) which is conditioned upon the change of control of the Company pursuant to provisions substantially similar to those contained in Section 1015; and

(vii) Debt not otherwise permitted to be Incurred pursuant to clauses (i) through (vi) above (which Debt may be Incurred under the Credit Agreement), which, together with any other outstanding Debt Incurred pursuant to this clause (vii), has an aggregate principal amount not in excess of $35 million at any time outstanding.

SECTION 1009. Limitation on Subsidiary Debt and Preferred Stock.

The Company shall not permit any Subsidiary of the Company to Incur or suffer to exist any Debt or issue any Preferred Stock except:

(i) Debt or Preferred Stock outstanding on the date of this Indenture;

(ii) Guarantees of Debt of the Company under the Credit Agreement and any renewal, refinancing, refunding or extension thereof permitted by Clause (i) of Section 1008;

(iii) Debt of a Foreign Subsidiary Incurred solely to fund such Foreign Subsidiary's working capital requirements which,

together with any other outstanding Debt of such Foreign Subsidiary Incurred pursuant to this Clause (iii), has an aggregate principal amount not in excess of the greater of $20 million or 65% of the aggregate book value of receivables and inventories of such Foreign Subsidiary at the time of Incurrence of such Debt;

(iv) Debt Incurred or Preferred Stock issued to and held by the Company or a Wholly Owned Subsidiary of the Company; provided, however, that for purposes of this Section 1009, upon either (x) the transfer or other disposition by the Company or such Wholly Owned Subsidiary of any Debt so permitted to a Person other than the Company or another Wholly Owned Subsidiary of the Company or (y) the issuance (other than directors' qualifying shares), sale, lease, transfer or other disposition of shares of Capital Stock (including by consolidation or merger) of such Wholly Owned Subsidiary to a Person other than the Company or another such Wholly Owned Subsidiary, the provisions of this Clause (iv) shall no longer be applicable to such Debt and such Debt shall be deemed to have been Incurred at the time of such transfer or other disposition;

(v) Debt Incurred or Preferred Stock issued by a Person prior to the time (A) such Person became a Subsidiary of the Company, (B) such Person merges into or consolidates with a Subsidiary of the Company or (C) another Subsidiary of the Company merges into or consolidates with such Person (in a transaction in which such Person becomes a Subsidiary of the Company), which Debt or Preferred Stock was not Incurred or issued in anticipation of such transaction and was outstanding prior to such transaction; provided, however, that the Company would be permitted to Incur such Debt in compliance with the first paragraph of Section 1008;

(vi) Debt secured by a Lien on real or personal property or improvements thereon which Debt (a) constitutes all or a part of the purchase price of such property or the cost of construction or improvement of such

property or (b) is Incurred prior to, at the time of or within 270 days after the acquisition of such property for the purpose of financing all or any part of the purchase price or the cost of construction or improvement thereof and which property was not owned by the Company and/or any Subsidiary of the Company prior to such acquisition; provided, however, the Debt so secured does not exceed the purchase price or the cost of construction or improvement of such property and provided, further, that the Company would be permitted to Incur such debt in compliance with the first paragraph of Section 1008;

(vii) Guarantees of Debt Incurred pursuant to Clause (vii) of Section 1008 above;

(viii) Debt under any Interest Rate, Currency or Commodity Protection Agreement;

(ix) Guarantees of Debt under an Interest Rate Protection Agreement Incurred pursuant to Clause (iv) of Section 1008, provided, however that the Debt which is being hedged by such Interest Rate Protection Agreement is Guaranteed by a Subsidiary of the Company;

(x) Debt or Preferred Stock which is exchanged for, or the proceeds of which are used to refinance or refund, any Debt or Preferred Stock permitted to be outstanding pursuant to Clauses (v) and (vi) hereof (or any extension or renewal thereof), in an aggregate principal amount, in the case of Debt, or liquidation preference, in the case of Preferred Stock, not to exceed the principal amount or liquidation preference of the Debt or Preferred Stock, respectively, so exchanged, refinanced or refunded plus the amount of any premium required to be paid in connection with such refinancing pursuant to the terms of the Debt refinanced and the expenses of the Company or such Subsidiary Incurred in connection with such refinancing and provided such refinancing or refunding Debt or Preferred Stock by its terms, or by the terms of any agreement or instrument pur-

suant to which such Debt or Preferred Stock is issued, (x) does not provide for payments of principal or liquidation value at the stated maturity of such Debt or Preferred Stock or by way of a sinking fund applicable to such Debt or Preferred Stock or by way of any mandatory redemption, defeasance, retirement or repurchase of such Debt or Preferred Stock by the Company (including any redemption, retirement or repurchase which is contingent upon events or circumstances, but excluding any retirement required by virtue of acceleration of such Debt upon an event of default thereunder), in each case prior to the stated maturity of the Debt or Preferred Stock being refinanced or refunded and (y) does not permit redemption or other retirement (including pursuant to an offer to purchase made by the Company) of such Debt or Preferred Stock at the option of the holder thereof prior to the stated maturity of the Debt or Preferred Stock being refinanced or refunded, other than a redemption or other retirement at the option of the holder of such Debt or Preferred Stock (including pursuant to an offer to purchase made by the Company) which is conditioned upon the change of control of the Company pursuant to provisions substantially similar to those contained in Section 1015.

SECTION 1010. Limitation on Restricted Payments.

The Company (i) shall not, directly or indirectly, declare or pay any dividend, or make any distribution, of any kind or character (whether in cash, property or securities) in respect of any class of its Capital Stock or to the holders of any class of its Capital Stock, excluding any dividends or distributions payable solely in shares of its Capital Stock (other than Disqualified Stock) or in options, warrants or other rights to acquire its Capital Stock (other than Disqualified Stock), (ii) shall not, and shall not permit any Subsidiary of the Company, directly or indirectly, to purchase, redeem or otherwise acquire or retire for value (a) any Capital Stock of the Company or any Related Person of the Company or (b) any options, warrants or rights to purchase or acquire shares of Capital Stock of the Company or any Related Person of the Company or any securities convertible or exchangeable into shares of Capital Stock of the Company or any Related Person of the Company,

(iii) shall not make, or permit any Subsidiary of the Company to make, any Investment (other than a Permitted Investment) in, or payment on a Guarantee of any obligation of, any Unrestricted Subsidiary or any other Person (other than (x) the Company, (y) a Subsidiary of the Company (or a Person that becomes a Subsidiary as a result of such Investment) or (z) any other Affiliate of the Company which is not a Related Person of the Company (or a Person that becomes an Affiliate as a result of such Investment)), and (iv) shall not, and shall not permit any Subsidiary of the Company to, redeem, defease (including, but not limited to, legal or covenant defeasance), repurchase, retire or otherwise acquire or retire for value prior to any scheduled maturity, repayment or sinking fund payment, Debt of the Company which is subordinate in right of payment to the Securities (the transactions described in Clauses (i) through (iv) being referred to herein as "Restricted Payments"), if at the time thereof:

(1) an Event of Default, or an event that with the lapse of time or the giving of notice, or both, would constitute an Event of Default, shall have occurred and is continuing, or

(2) upon giving effect to such Restricted Payment, the Company could not Incur at least $1.00 of additional Debt in compliance with the first paragraph of Section 1008, or

(3) upon giving effect to such Restricted Payment, the aggregate of all Restricted Payments from the date of this Indenture exceeds the sum of:

(a) 50% of cumulative Consolidated Net Income of the Company (or, in the case Consolidated Net Income of the Company shall be negative, less 100% of such deficit) since January 1, 1994 through the last day of the last full fiscal quarter immediately preceding such Restricted Payment for which quarterly or annual financial statements of the Company are available; plus

(b) 100% of the aggregate net proceeds after the date of this Indenture,

including the fair value of property other than cash (determined in good faith by the Board of Directors and evidenced by a Board Resolution), from the issuance (other than to a Subsidiary of the Company) of Capital Stock (other than Disqualified Stock) of the Company and options, warrants or other rights on Capital Stock (other than Disqualified Stock) of the Company and the principal amount (or accreted value of Debt issued at a discount) of Debt of the Company that has been converted into Capital Stock (other than Disqualified Stock) of the Company after the date of the Indenture; plus

(c) 100% of the aggregate amount of all Restricted Payments that are returned, without restriction, in cash to the Company or any Subsidiary if and to the extent that such payments are not included in Consolidated Net Income; plus

(d) $75 million; plus

(e) in the event that the Company does not pay an aggregate of $150 million or more to repurchase Common Stock of the Company pursuant to the second succeeding paragraph, the amount which, together with the amount paid to repurchase Common Stock pursuant to the second succeeding paragraph, equals $150 million.

The foregoing provision shall not be violated by reason of the payment of any dividend on Capital Stock of any class within 60 days after declaration thereof if at the declaration date such payment would have complied with the foregoing provision.

Notwithstanding the foregoing, the Company may from time to time pay up to $150 million in the aggregate from the date of this Indenture to repurchase Common Stock of the Company pursuant to open market or privately negoti-

ated transactions, tender offers or otherwise, and such purchases shall not be deemed Restricted Payments for purposes of calculating the aggregate amount of all Restricted Payments pursuant to Clause (3) above.

SECTION 1011. Limitation on Liens.

(a) The Company shall not, and shall not permit any Subsidiary of the Company to, Incur any Lien upon any of its property or assets, now owned or hereinafter acquired, to secure any Debt without making, or causing such Subsidiary to make, effective provision for securing the Securities (and, if the Company shall so determine, any other Debt of the Company which is not subordinate to the Securities or of such Subsidiary) (x) equally and ratably with such Debt as to such property for so long as such Debt shall be so secured or (y) in the event such Debt is subordinate in right of payment to the Securities, prior to such Debt as to such property or assets for so long as such Debt shall be so secured.

The foregoing restrictions will not apply to Liens in respect of Debt existing at the date of this Indenture or to:

(i) Liens in favor of the Company or a Wholly Owned Subsidiary of the Company provided that upon the issuance (other than directors' qualifying shares), sale, lease, transfer or other disposition of shares of Capital Stock (including by consolidation or merger) of such Wholly Owned Subsidiary to a Person other than the Company or another Wholly Owned Subsidiary, the provisions of this clause (i) shall no longer be applicable to such Lien, and such Lien shall be deemed to have been Incurred at the time of such transfer or other distribution;

(ii) Liens to secure Debt and other obligations under the Credit Agreement and any renewal, refinancing, refunding or extension thereof,

provided, however that such the Incurrence of such Debt is permitted by Section 1008;

(iii) Liens securing only the Securities;

(iv) Liens on property of a Person existing at the time such Person is merged into or consolidated with the Company or any Subsidiary of the Company;

(v) Liens on property existing immediately at the time of acquisition thereof (and not in anticipation of the financing of such acquisition);

(vi) Liens to secure Debt Incurred for the purpose of financing all or any part of the purchase price or the cost of construc-

tion or improvement of the property subject to such Liens; provided, however, that (a) the principal amount of any Debt secured by such a Lien does not exceed 100% of such purchase price or cost, (b) such Lien does not extend to or cover any other property other than such item of property and any improvements on such item and (c) the Incurrence of such Debt is permitted by Section 1008 or 1009;

(vii) Liens to secure Debt and other obligations Incurred pursuant to Clause (vii) of Section 1008;

(viii) Liens to secure Debt under an Interest Rate Protection Agreement Incurred pursuant to Clause (iv) of Section 1008, provided, however that the Debt which is being hedged by such Interest Rate Protection Agreement is secured by a Lien;

(ix) Liens to secure Debt Incurred to renew, refinance, refund, extend (or successive renewals, refinancings, refundings or extensions), in whole or in part, Debt secured by any Lien referred to in the foregoing Clauses (iii) to (vi) so long as such Lien does not extend to any other property and the Debt so secured is not increased; and

(x) Liens to secure Debt owing by the Company to a Wholly Owned Subsidiary of the Company (provided that such Debt is at all times held by a Person which is a Wholly Owned Subsidiary of the Company); provided, however, that for purposes of this Section 1011 and Section 1012, upon either (x) the transfer or other disposition of a Debt secured by a Lien so permitted to a Person other than the Company or another Wholly Owned Subsidiary of the Company or (y) the issuance (other than directors' qualifying shares), sale, lease, transfer or other disposition of shares of Capital Stock of any such Wholly Owned Subsidiary to a Person other than the Company or another Wholly Owned Subsidiary of the Company, the provisions of this Clause (viii) shall no longer be applicable to such Lien and such

Lien shall be subject (if otherwise subject) to the requirements of this Section 1012 without regard to this Clause (viii).

(b) In addition to the foregoing, the Company and its Subsidiaries may Incur a Lien to secure any Debt or enter into a Sale and Leaseback Transaction, without securing the Securities equally and ratably with or prior to such Debt, as the case may be, if the sum of (i) the amount of Debt secured by a Lien entered into after the date of this Indenture and otherwise prohibited by this Indenture and (ii) the Attributable Value of all Sale and Leaseback Transactions entered into after the date of this Indenture and otherwise prohibited by this Indenture does not exceed 5% of Consolidated Tangible Assets at the time of Incurrence of such Lien or the entering into such Sale and Leaseback Transaction.

SECTION 1012. Limitation on Sale and Leaseback Transactions.

The Company shall not, and shall not permit any Subsidiary of the Company to, enter into any Sale and Leaseback Transaction (except for a period not exceeding 30 months) unless:

(1) the Company or such Subsidiary would be entitled to enter into such Sale and Leaseback Transaction pursuant to the provisions of Section 1011(b) hereof without equally and ratably securing the Securities; or

(2) the Company or such Subsidiary applies or commits to apply within 60 days after the sale or transfer, an amount equal to the net proceeds of the sale pursuant to the Sale and Leaseback Transaction to the permanent repayment or reduction of outstanding Debt to the extent required or, to the extent not so required, to the redemption of the Securities pursuant to Article Eleven or, if the Securities are not redeemable, to the repayment of other Company Debt which is pari passu to the Securities or Subsidiary Debt or, if no such Debt is then outstanding, other Company Debt.

SECTION 1013. Limitations Concerning Distributions By Subsidiaries, etc.

The Company shall not, and shall not permit any Subsidiary of the Company to, suffer to exist any consensual encumbrance or restriction on the ability of any Subsidiary of the Company (i) to pay, directly or indirectly, dividends or make any other distributions in respect of its Capital Stock or pay any Debt or other obligation owed to the Company or any other Subsidiary of the Company; (ii) to make loans or advances to the Company or any Subsidiary of the Company; or (iii) to transfer any of its property or assets to the Company, except, in any such case, any encumbrance or restrictions:

(a) pursuant to any agreement in effect on the date of this Indenture (including the Credit Agreement), or

(b) pursuant to an agreement relating to any Debt Incurred by such Subsidiary prior to the date on which such Subsidiary was acquired by the Company and outstanding on such date and not Incurred in anticipation of becoming a Subsidiary, or

(c) pursuant to an agreement effecting a renewal, refinancing, refunding or extension of Debt Incurred pursuant to an agreement referred to in Clause (a) or (b) above; provided, however, that the provisions contained in such renewal, refinancing, refunding or extension agreement relating to such encumbrance or restriction are no more restrictive in any material respect than the provisions contained in the agreement the subject thereof, as determined in good faith by the Board of Directors and evidenced by a Board Resolution, or

(d) in the case of a Foreign Subsidiary, pursuant to an agreement governing the terms of any Debt to fund such Foreign Subsidiary's working capital requirements permitted by clause (iii) of Section 1009, provided that such encumbrance or restriction relates only to the payment of dividends or other cash distributions and, provided, further, that such encumbrance or restriction does not, in the reasonable judgment of the Board of Directors of the

Company, impact the Company's ability to make all payments when due on the Notes, as determined in good faith by the Board of Directors of the Company and evidenced by a Board Resolution.

SECTION 1014. Limitation on Transactions with Affiliates.

The Company shall not, and shall not permit any Subsidiary of the Company to, directly or indirectly, enter into any transaction or series of related transactions (including, without limitation, the purchase, sale, lease or exchange of property, the rendering of any service or the making of any loan or advance) not in the ordinary course of business of the Company or such Subsidiary with an Affiliate of the Company (other than the Company or a Wholly Owned Subsidiary of the Company) involving aggregate consideration in excess of $5 million unless

(i) the Board of Directors shall determine in its good faith judgment and evidenced by a Board Resolution that:

(A) such transaction (or series of related transactions) is on terms no less favorable to the Company or such Subsidiary than those that could be obtained in a comparable arm's length transaction with an entity that is not an Affiliate; and

(B) such transaction (or series of related transactions) is in the best interests of the Company or such Subsidiary; and

(ii) such transaction is approved by the independent members of the Board of Directors of the Company in their good faith judgment as evidenced by a Board Resolution.

SECTION 1015. Change of Control.

(a) Upon the occurrence of a Change in Control, each Holder of a Security shall have the right to have such Security repurchased by the Company on the terms and conditions precedent set forth in this Section 1015 and this Indenture. The Company shall, within 10 days following the date of the consummation of a transaction resulting in a Change of Control, mail an Offer with respect to an Offer to

Purchase all Outstanding Securities at a purchase price equal to 101% of their aggregate principal amount plus accrued interest to the Purchase Date (provided, however, that installments of interest whose Stated Maturity is on or prior to the Purchase Date shall be payable to the Holders of such Securities, or one or more Predecessor Securities, registered as such at the close of business on the relevant Record Dates according to their terms and the provisions of Section 307). Each Holder shall be entitled to tender all or any portion of the Securities owned by such Holder pursuant to the Offer to Purchase, subject to the requirement that any portion of a Security tendered must be tendered in an integral multiple of $1,000 principal amount.

(b) The Company and the Trustee shall perform their respective obligations specified in the Offer for the Offer to Purchase. Prior to the Purchase Date, the Company shall (i) accept for payment Securities or portions thereof tendered pursuant to the Offer, (ii) deposit with the Paying Agent (or, if the Company is acting as its own Paying Agent, segregate and hold in trust as provided in Section 1003) money sufficient to pay the purchase price of all Securities or portions thereof so accepted and (iii) deliver or cause to be delivered to the Trustee all Securities so accepted together with an Officers' Certificate stating the Securities or portions thereof accepted for payment by the Company. The Paying Agent shall promptly mail or deliver to Holders of Securities so accepted payment in an amount equal to the purchase price, and the Trustee shall promptly authenticate and mail or deliver to such Holders a new Security or Securities equal in principal amount to any unpurchased portion of the Security surrendered as requested by the Holder. Any Security not accepted for payment shall be promptly mailed or delivered by the Company to the Holder thereof. The Company shall publicly announce the results of the Offer on or as soon as practicable after the Purchase Date.

(c) A "Change of Control" shall be deemed to have occurred in the event that, after the date of this Indenture, either (A) any Person or any Persons acting together which would constitute a "group" (a "Group") for purposes of Section 13(d) of the Exchange Act, or any successor provision thereto, together with any Affiliates or Related Persons thereof (other than an employee benefit plan of the Company or any Subsidiary) that files a Schedule 13D or 14D-1 under the Exchange Act disclosing that such Person or Group beneficially owns (as defined in Rule 13d-3 of the Exchange Act or any successor provision thereto) at least 50% of the aggregate voting power of all classes of Capital Stock of the Company entitled to vote generally in the

election of directors of the Company; or (B) any Person or Group, together with any Affiliates or Related Persons thereof, shall succeed in having a sufficient number of its or their nominees elected to the Board of Directors of the Company such that such nominees, when added to any existing director remaining on the Board of Directors of the Company after such election who is an Affiliate or Related Person of such Group, shall constitute a majority of the Board of Directors of the Company, provided that in no event shall any Continuing Director be included in such majority, whether or not such Continuing Director was nominated by such Person or Group or is an Affiliate or Related Person of such Group. "Continuing Director" shall mean (i) any Person who is member of the Board of Directors of the Company as of the date of this Indenture, at any time that such Person is a member of the Board, or (ii) any Person who subsequently becomes a member of the Board, at any time that such Person is a member of the Board, provided that such Person's nomination for election or election to the Board is recommended or approved by a majority of the Continuing Directors.

SECTION 1016. Provision of Financial Information.

Whether or not the Company is required to be subject to Section 13(a) or 15(d) of the Exchange Act, or any successor provision thereto, the Company shall file with the Commission, to the extent permitted, the annual reports, quarterly reports and other documents which the Company would have been required to file with the Commission pursuant to such Section 13(a) or 15(d) or any successor provision thereto if the Company were so required, such documents to be filed with the Commission on or prior to the respective dates (the "Required Filing Dates") by which the Company would have been required so to file such documents if the Company were so required. The Company shall also in any event (a) within 15 days of each Required Filing Date (i) transmit by mail to all Holders, as their names and addresses appear in the Security Register, without cost to such Holders, and (ii) file with the Trustee copies of the annual reports, quarterly reports and other documents which the Company would have been required to file with the Commission pursuant to Section 13(a) or 15(d) of the Exchange Act or any successor provisions thereto if the Company were required to be subject to such Sections and (b) if filing such documents by the Company with the Commission is not permitted under the Exchange Act, promptly upon written request supply copies of such documents to any prospective Holder.

SECTION 1017. Statement by Officers as to Default; Compliance Certificates.

(a) The Company will deliver to the Trustee, within 90 days after the end of each fiscal year, and within 60 days after the end of each fiscal quarter (other than the fourth fiscal quarter), of the Company ending after the date hereof an Officers' Certificate, stating whether or not to the best knowledge of the signers thereof the Company is in default in the performance and observance of any of the terms, provisions and conditions of Section 801 or Sections 1004 to 1016, inclusive, and if the Company shall be in default, specifying all such defaults and the nature and status thereof of which they may have knowledge.

(b) The Company shall deliver to the Trustee, as soon as possible and in any event within 10 days after the Company becomes aware or should reasonably become aware of the occurrence of an Event of Default or an event which, with notice or the lapse of time or both, would constitute an Event of Default, an Officers' Certificate setting forth the details of such Event of Default or default, and the action which the Company proposes to take with respect thereto.

(c) The Company shall deliver to the Trustee within 90 days after the end of each fiscal year a written statement by the Company's independent public accountants stating (A) that their audit examination has included a review of the terms of this Indenture and the Securities as they relate to accounting matters, and (B) whether, in connection with their audit examination, any event which, with notice or the lapse of time or both, would constitute an Event of Default has come to their attention and, if such a default has come to their attention, specifying the nature and period of the existence thereof.

SECTION 1018. Waiver of Certain Covenants.

The Company may omit in any particular instance to comply with any covenant or condition set forth in Section 801 and Sections 1004 to 1015, if before the time for such compliance the Holders of at least a majority in principal amount of the Outstanding Securities shall, by Act of such Holders, either waive such compliance in such instance or generally waive compliance with such covenant or condition, but no such waiver shall extend to or affect such covenant or condition except to the extent so expressly waived, and, until such waiver shall become effective, the obligations of the Company and the duties of the Trustee in

respect of any such covenant or condition shall remain in full force and effect; provided, however, with respect to an Offer to Purchase as to which an Offer has been mailed, no such waiver may be made or shall be effective against any Holder tendering Securities pursuant to such Offer, and the Company may not omit to comply with the terms of such Offer as to such Holder.

ARTICLE ELEVEN

Redemption of Securities

SECTION 1101. Right of Redemption.

The Securities may be redeemed at the election of the Company, as a whole or from time to time in part, at any time on or after _____, 1999 and prior to maturity, at the Redemption Prices specified in the form of Security hereinbefore set forth together with accrued interest to the Redemption Date.

SECTION 1102. Applicability of Article.

Redemption of Securities at the election of the Company, as permitted by any provision of this Indenture, shall be made in accordance with such provision and this Article.

SECTION 1103. Election to Redeem; Notice to Trustee.

The election of the Company to redeem any Securities pursuant to Section 1101 shall be evidenced by a Board Resolution. In case of any redemption at the election of the Company of less than all the Securities, the Company shall, at least 60 days prior to the Redemption Date fixed by the Company (unless a shorter notice shall be satisfactory to the Trustee), notify the Trustee of such Redemption Date and of the principal amount of Securities to be redeemed.

SECTION 1104. Selection by Trustee of Securities to Be Redeemed.

If less than all the Securities are to be redeemed, the particular Securities to be redeemed shall be selected not more than 60 days prior to the Redemption Date by the Trustee, from the Outstanding Securities not previ-

ously called for redemption, by such method as the Trustee shall deem fair and appropriate and which may provide for the selection for redemption of portions (equal to $1,000 or any integral multiple thereof) of the principal amount of Securities of a denomination larger than $1,000.

The Trustee shall promptly notify the Company and each Security Registrar in writing of the Securities selected for redemption and, in the case of any Securities selected for partial redemption, the principal amount thereof to be redeemed.

For all purposes of this Indenture, unless the context otherwise requires, all provisions relating to the redemption of Securities shall relate, in the case of any Securities redeemed or to be redeemed only in part, to the portion of the principal amount of such Securities which has been or is to be redeemed.

SECTION 1105. Notice of Redemption.

Notice of redemption shall be given by first-class mail, postage prepaid, mailed not less than 30 nor more than 60 days prior to the Redemption Date, to each Holder of Securities to be redeemed, at his address appearing in the Security Register.

All notices of redemption shall state:

(1) the Redemption Date,

(2) the Redemption Price and any accrued interest,

(3) if less than all the Outstanding Securities are to be redeemed, the identification (and, in the case of partial redemption, the principal amounts) of the particular Securities to be redeemed,

(4) that on the Redemption Date the Redemption Price and any accrued interest will become due and payable upon each such Security to be redeemed and that interest thereon will cease to accrue on and after said date, and

(5) the place or places where such Securities are to be surrendered for payment

of the Redemption Price and any accrued interest.

Notice of redemption of Securities to be redeemed at the election of the Company shall be given by the Company or, at the Company's request, by the

Trustee in the name and at the expense of the Company.

SECTION 1106. Deposit of Redemption Price.

Prior to any Redemption Date, the Company shall deposit with the Trustee or with a Paying Agent (or, if the Company is acting as its own Paying Agent, segregate and hold in trust as provided in Section 1003) an amount of money sufficient to pay the Redemption Price of, and (except if the Redemption Date shall be an Interest Payment Date) accrued interest on, all the Securities which are to be redeemed on that date.

SECTION 1107. Securities Payable on Redemption Date.

Notice of redemption having been given as aforesaid, the Securities so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Company shall default in the payment of the Redemption Price and accrued interest) such Securities shall cease to bear interest. Upon surrender of any such Security for redemption in accordance with said notice, such Security shall be paid by the Company at the Redemption Price, together with accrued interest to the Redemption Date; provided, however, that installments of
interest whose Stated Maturity is on or prior to the Redemption Date shall be payable to the Holders of such Securities, or one or more Predecessor Securities, registered as such at the close of business on the relevant Record Dates according to their terms and the provisions of Section 307.

If any Security called for redemption shall not be so paid upon surrender thereof for redemption, the principal (and premium, if any) shall, until paid, bear interest from the Redemption Date at the rate provided by the Security.

SECTION 1108. Securities Redeemed in Part.

Any Security which is to be redeemed only in part shall be surrendered at an office or agency of the Company designated for that purpose pursuant to Section 1002 (with,

if the Company or the Trustee so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Company and the Trustee duly executed by, the Holder thereof or his attorney duly authorized in writing), and the Company shall execute, and the Trustee shall authenticate and deliver to the Holder of such Security without service charge, a new Security or Securities, of any authorized denomination as requested by such Holder, in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Security so surrendered.

ARTICLE TWELVE

Defeasance and Covenant Defeasance

SECTION 1201. Company's Option to Effect Defeasance or Covenant Defeasance.

The Company may at its option by Board Resolution, at any time, elect to have either Section 1202 or Section 1203 applied to the Outstanding Securities upon compliance with the conditions set forth below in this Article Twelve.

SECTION 1202. Defeasance and Discharge.

Upon the Company's exercise of the option provided in Section 1201 applicable to this Section, the Company shall be deemed to have been discharged from its obligations with respect to the Outstanding Securities on the date the conditions set forth below are satisfied (hereinafter, "defeasance"). For this purpose, such defeasance means that the Company shall be deemed to have paid and discharged the entire indebtedness represented by the Outstanding Securities and to have satisfied all its other obligations under such Securities and this Indenture insofar as such Securities are concerned (and the Trustee, at the expense of the Company, shall execute proper instruments acknowledging the same), except for the following which shall survive until otherwise terminated or discharged hereunder: (A) the rights of Holders of such Securities to receive, solely from the trust fund described in Section 1204 and as more fully set forth in such Section, payments in respect of the principal of (and premium, if any) and interest on such Securities when such payments are due, (B) the Company's obligations with respect to such Securities under Sections 304, 305, 306, 1002 and 1003, (C) the rights, powers, trusts, duties and immunities of the Trustee hereunder and (D) this Article Twelve. Subject to compliance with this

Article Twelve, the Company may exercise its option under this Section 1202 notwithstanding the prior exercise of its option under Section 1203.

SECTION 1203. Covenant Defeasance.

Upon the Company's exercise of the option provided in Section 1201 applicable to this Section, (i) the Company shall be released from its obligations under Sections 1005 through 1015, inclusive, and Clauses (3) and (4) of Section 801 and (ii) the occurrence of an event specified in Sections 501(3), 501(4) (with respect to Clauses (3) and (4) of Section 801), 501(5) (with respect to any of Sections 1005 through 1015, inclusive), 501(6) and 501(7) shall not be deemed to be an Event of Default on and after the date the conditions set forth below are satisfied (hereinafter, "covenant defeasance"). For this purpose, such covenant defeasance means that the Company may omit to comply with and shall have no liability in respect of any term, condition or limitation set forth in any such Section or Clause, whether directly or indirectly by reason of any reference elsewhere herein to any such Section or Clause or by reason of any reference in any such Section or Clause to any other provision herein or in any other document, but the remainder of this Indenture and such Securities shall be unaffected thereby.

SECTION 1204. Conditions to Defeasance or Covenant Defeasance.

The following shall be the conditions to application of either Section 1202 or Section 1203 to the then Outstanding Securities:

(1) The Company shall irrevocably have deposited or caused to be deposited with the Trustee (or another trustee satisfying the requirements of Section 609 who shall agree to comply with the provisions of this Article Twelve applicable to it) as trust funds in trust for the purpose of making the following payments, specifically pledged as security for, and dedicated solely to, the benefit of the Holders of such Securities, (A) money in an amount, or (B) U.S. Government Obligations which through the scheduled payment of principal and interest in respect thereof in accordance with their terms will provide, not later than one day before the

due date of any payment, money in an amount, or (C) a combination thereof, sufficient, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee, to pay and discharge, and which shall be applied by the Trustee (or other qualifying trustee) to pay and discharge, the principal of, premium, if any, and each instalment of interest on the Securities on the Stated Maturity of such principal or instalment of interest in accordance with the terms of this Indenture and of such Securities. For this purpose, "U.S. Government Obligations" means securities that are (x) direct

obligations of the United States of America for the payment of which its full faith and credit is pledged or (y) obligations of a Person controlled or supervised by and acting as an agency or instrumentality of the United States of America the payment of which is unconditionally guaranteed as a full faith and credit obligation by the United States of America, which, in either case, are not callable or redeemable at the option of the issuer thereof, and shall also include a depository receipt issued by a bank (as defined in Section 3(a)(2) of the Securities Act of 1933, as amended) as custodian with respect to any such U.S. Government Obligation or a specific payment of principal of or interest on any such U.S. Government Obligation held by such custodian for the account of the holder of such depository receipt, provided that (except as required by law) such custodian is not
----
authorized to make any deduction from the amount payable to the holder of such depository receipt from any amount received by the custodian in respect of the U.S. Government Obligation or the specific payment of principal of or interest on the U.S. Government Obligation evidenced by such depository receipt.

(2) In the case of an election under Section 1202, the Company shall have delivered to the Trustee an Opinion of Counsel stating that (x) the Company has received from, or there has been published by, the Internal Revenue Service a ruling, or

(y) since the date of this Indenture there has been a change in the applicable Federal income tax law, in either case to the effect that, and based thereon such opinion shall confirm that, the Holders of the Outstanding Securities will not recognize gain or loss for Federal income tax purposes as a result of such deposit, defeasance and discharge and will be subject to Federal income tax on the same amount, in the same manner and at the same times as would have been the case if such deposit, defeasance and discharge had not occurred.

(3) In the case of an election under Section 1203, the Company shall have delivered to the Trustee an Opinion of Counsel to the effect that the Holders of the Outstanding Securities will not recognize gain or loss for Federal income tax purposes as a result of such deposit and covenant defeasance and will be subject to Federal income tax on the same amount, in the same manner and at the same times as would have been the case if such deposit and covenant defeasance had not occurred.

(4) The Company shall have delivered to the Trustee an Officer's Certificate to the effect that the Securities, if then listed on any securities exchange, will not be delisted as a result of such deposit.

(5) Such defeasance or covenant defeasance shall not cause the Trustee to have a conflicting interest as defined in Section 608 and for purposes of the Trust Indenture Act with respect to any securities of the Company.

(6) No Event of Default or event which with notice or lapse of time or both would become an Event of Default shall have occurred and be continuing on the date of such deposit or, insofar as subsections 501(8) and (9) are concerned, at any time during the period ending on the 121st day after the date of such deposit (it being understood that this condition shall not be deemed satisfied until the expiration of such period).

(7) Such defeasance or covenant defeasance shall not result in a breach or violation of, or constitute a default under, any other agreement or instrument to which the Company is a party or by which it is bound.

(8) The Company shall have delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent provided for relating to either the defeasance under Section 1202 or the covenant defeasance under Section 1203 (as the case may be) have been complied with.

(9) Such defeasance or covenant defeasance shall not result in the trust arising from such deposit constituting an investment company as

defined in the Investment Company Act of 1940, as amended, or such trust shall be qualified under such act or exempt from regulation thereunder.

SECTION 1205. Deposited Money and U.S. Government Obligations to be Held in Trust; Other Miscellaneous Provisions.

Subject to the provisions of the last paragraph of Section 1003, all money and U.S. Government Obligations (including the proceeds thereof) deposited with the Trustee (or other qualifying trustee--collectively, for purposes of this Section 1205, the "Trustee") pursuant to Section 1204 in respect of the Securities shall be held in trust and applied by the Trustee, in accordance with the provisions of such Securities and this Indenture, to the payment, either directly or through any Paying Agent (including the Company acting as its own Paying Agent) as the Trustee may determine, to the Holders of such Securities, of all sums due and to become due thereon in respect of principal (and premium, if any) and any interest, but such money need not be segregated from other funds except to the extent required by law.

The Company shall pay and indemnify the Trustee against any tax, fee or other charge imposed on or assessed against the U.S. Government Obligations deposited pursuant to Section 1204 or the principal and interest received in respect thereof other than any such tax, fee or other charge which by law is for the account of the Holders of the Outstanding Securities.

Anything in this Article Twelve to the contrary notwithstanding, the Trustee shall deliver or pay to the Company from time to time upon Company Request any money or U.S. Government Obligations held by it as provided in Section 1204 which, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee, are in excess of the amount thereof which would then be required to be deposited to effect an equivalent defeasance or covenant defeasance.

SECTION 1206. Reinstatement.

If the Trustee or the Paying Agent is unable to apply any money in accordance with Section 1202 or 1203 by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, then the Company's obligations under this Indenture and the Securities shall be revived and reinstated as though no deposit had occurred pursuant to this Article Twelve until such time as the Trustee or Paying Agent is permitted to apply all such money in accordance with Section 1202 or 1203; provided, however, that if the Company makes any payment of principal of (and premium, if any) or interest on any Security following the reinstatement of its obligations, the Company shall be subrogated to the rights of the Holders of such Securities to receive such payment from the money held by the Trustee or the Paying Agent.

This instrument may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be duly executed, and their respective corporate seals to be hereunto affixed and attested, all as of the day and year first above written.

AMETEK, INC.

By_____

Attest:

_____

CORESTATES BANK, N.A.

By_____

Attest:

_____

STATE OF NEW YORK) \\ss.:\\
COUNTY OF NEW YORK)

On the _____ day of _____, 1994, before me personally came _____, to me known, who, being by me duly sworn, did depose and say that he --she is _____ of AMETEK, Inc.; one of the corporations described in and which executed the foregoing instrument; that he -- she knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by authority of the Board of Directors of said corporation, and that he -- she signed his -- her name thereto by like authority.

_____

COMMONWEALTH OF PENNSYLVANIA) \\ss.:\\
COUNTY OF PHILADELPHIA)

On the _____ day of _____, 1994, before me personally came _____, to me known, who, being by me duly sworn, did depose and say that he --she is _____ of CORESTATES BANK, N.A., one of the corporations described in and which executed the foregoing instrument; that he --she knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by authority of the Board of Directors of said corporation, and that he -- she signed his -- her name thereto by like authority.

_____

EXHIBIT 5

February 25, 1994

Ametek, Inc.
Station Square
Paoli, Pennsylvania 19301

Ladies and Gentlemen:

We have acted as counsel to Ametek, Inc., a Delaware corporation (the "Company"), in connection with the preparation and filing with the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended (the "Act"), of a Registration Statement on Form S-3 (Registration No. 33-51663), as amended by Amendment No. 1 thereto (the "Registration Statement"), relating to the proposed public offering (the "Offering") of $150,000,000 principal amount of the Company's __% Senior Notes Due 2006 (the "Notes").

As such counsel, we have examined copies of (i) the Certificate of Incorporation and Bylaws of the Company, each as in effect as of the date hereof, (ii) the Registration Statement and the exhibits thereto, (iii) the form of Indenture pursuant to which the Notes are proposed to be issued and (iv) the Prospectus which forms a part of the Registration Statement. We have also examined originals or copies, certified or otherwise identified to our satisfaction, of such corporate records of the Company, and such documents, records, agreements, instruments, certificates of officers and representatives of the Company and others and have made such examinations of law as we have deemed necessary to form the basis for the opinion hereinafter expressed. In our examinations, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals and the conformity to original documents of all documents submitted to us as copies. As to various questions of fact material to such opinion, we have relied upon statements and certificates of officers and representatives of the Company and others.

Attorneys involved in the preparation of this opinion are admitted to practice law in the State of New York and we do not purport to be experts on, or to express any opinion herein concerning, any law other than the laws of the State of New York, the federal laws of the United States of America and the General Corporation Law of the State of Delaware.

Based upon and subject to the foregoing, we are of the opinion that the Notes, when sold in accordance with the Registration Statement, will be validly issued and outstanding.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement and to the reference to this firm under the caption "Validity of Notes" in the Prospectus. In giving such consent, we do not admit hereby that we come within the category of persons whose consent is required under Section 7 of the Act or the Rules and Regulations of the Commission thereunder.

Very truly yours,

STROOCK & STROOCK & LAVAN

EXHIBIT 12.1

AMETEK, INC.

STATEMENT REGARDING COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES

(DOLLARS IN THOUSANDS)

	YEAR ENDED DECEMBER 31,				
	1989	1990	1991	1992	1993
EARNINGS:					
Net income (loss)	$38,296	$37,338	$37,986	$44,357	$ (7,332)
Income tax expense (benefit)	22,387	19,317	14,392	22,362	(3,865)
Interest expense--gross	15,734	21,951	22,252	20,197	18,580
Capitalized interest	(500)	(1,133)	(173)	(476)	(977)
Debt financing expense	137	171	170	196	173
Interest portion of rentals (1)	1,482	1,656	1,348	1,345	1,614
Adjusted earnings	$77,536	$79,300	$75,975	$87,981	$ 8,193
FIXED CHARGES:					
Interest expenses--net	$15,234	$20,818	$22,079	$19,721	$ 17,603
Capitalized interest	500	1,133	173	476	977
Debt financing expense	137	171	170	196	173
Interest portion of rentals (1)	1,482	1,656	1,348	1,345	1,614
Fixed charges	$17,353	$23,778	$23,770	$21,738	$ 20,367
Ratio of adjusted earnings to fixed charges (2)	4.5x	3.3x	3.2x	4.0x	--

- --------

(1) Estimated to be one-third of rental expense.

(2) Earnings were insufficient to cover fixed charges by approximately $12.2 million in 1993.

EXHIBIT 23.2

CONSENT OF INDEPENDENT AUDITORS

We consent to the reference to our firm under the captions "Summary Financial Data", "Selected Financial Data", and "Experts" and to the use of our reports dated February 9, 1994, in the Registration Statement (Amendment No 1 to Form S-3, No. 33-51663) and related Prospectus of AMETEK, Inc. for the registration of $150 million, % Senior Notes due 2006.

/s/ Ernst & Young

Philadelphia, PA

February 25, 1994

Securities Act of 1933
Registration No. 33-51663

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

_____

FORM T-1

STATEMENT OF ELIGIBILITY
UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED,
OF A CORPORATION DESIGNATED TO ACT AS TRUSTEE

CHECK IF AN APPLICATION TO DETERMINE ELIGIBILITY PURSUANT
TO SECTION 305 (b)(2) X

_____

CORESTATES BANK, NATIONAL ASSOCIATION
(Exact name of Trustee as specified in its Charter)

Broad and Chestnut Streets Philadelphia, Pennsylvania 19101	23-0972337
(Address of Principal Executive Offices)	(I.R.S. Employer Identification No.)

CoreStates Bank, N.A.
Attn: Office of Resident Counsel
Broad and Chestnut Streets
Philadelphia, PA 19101
(215) 973-3810
(Name, address, and telephone number of agent for service)

AMETEK, Inc.
(Exact name of Obligor as specified in its charter)

Delaware	13-4923320
(State of Incorporation)	(I.R.S. Employer Identification No.)

Station Square Paoli, PA	19302
(Address of principal executive offices)	(Zip code)

___% Senior Notes Due _____, 2006
(Title of Indenture Securities)

Item 1. General Information. Furnish the following information as to the trustee:

(a) Name and address of each examining or supervising authority to which it is subject.

The Office of the Comptroller of the Currency, Washington, D.C. 20220.

Federal Reserve Bank of Philadelphia, Pennsylvania 19105.

The Board of Governors of the Federal Reserve Systems, Washington, D.C. 20551.

Federal Deposit Insurance Corporation, Washington, D.C. 20429.

(b) Whether it is authorized to exercise corporate trust powers.

The Trustee is authorized to exercise corporate trust powers.

Item 2. Affiliations With The Obligor. If the obligor is an affiliate of the Trustee, describe each such affiliation.

None.

Item 13. Defaults By The Obligor.

(a) State whether there is or has been a default with respect to the securities under the indenture. Explain the nature of any such default.

None.

(b) If the Trustee is a trustee under another indenture under which any other securities, or certificates of interest or participation in any other securities, of the obligor are outstanding, or is trustee for more than one outstanding series of securities under the indenture, state whether there has been a default under any such indenture or series, identify the indenture or series affected, and explain the nature of such default.

None.

Item 15. Foreign Trustee.

Identify the order or rule pursuant to which the foreign trustee is authorized to act as sole trustee under indentures qualified or to be qualified under the Act.

Not applicable.

Item 16. List of Exhibits. List below all exhibits filed as part of this statement of eligibility.

(1) Copy of Articles of Association of the trustee as now in effect.*
(2) Copy of the certificate of authority of the trustee to commence business.*
(3) Copy of authorization of the trustee to exercise corporate trust powers.*
(4) Copy of existing Bylaws of the trustee.*
(5) Copy of Indenture referred to in Item 4, if the obligor is in default. Not applicable.
(6) The consents of the United States institutional trustees required by Section 321(b) of the Trust Indenture Act of 1939, as amended.
(7) Copy of the latest report of condition of the trustee published pursuant to law or the requirements of its supervisory of examining authority.
(8) Copy of any order pursuant to which the foreign trustee is authorized to act as sole trustee under indentures qualified or to be qualified under the Trust Indenture Act of 1939, as amended. Not applicable.
(9) Foreign trustee's consent to service of process on Form F-X. Not applicable.

_____

Exhibits followed by an asterisk are incorporated herein by reference pursuant to Rule 7a-29.

Exhibit 16(1) - Exhibit 16(1) to Form T-1 filed in registration statement of November 1, 1993 of Bell Telephone Company of Pennsylvania, No. 33-50869.

Exhibit 16(2) - Exhibit 16(2) to Form T-1 filed in registration statement of February 9, 1956 of Bell Telephone Company of Pennsylvania, No. 22-12266.

Exhibit 16(3) - Exhibit 16(3) to Form T-1 filed in registration statement of February 9, 1956 of Bell Telephone Company of Pennsylvania, No. 22-12266.

Exhibit 16(4) - Exhibit 16(4) to Form T-1 filed in registration statement of November 1, 1993 of Bell Telephone Company of Pennsylvania, No. 33-50869.

Pursuant to the requirements of the Trust Indenture Act of 1939, as amended, the trustee, CoreStates Bank, N.A., a national banking association duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, and its seal to be hereunto affixed and attested, all in the City of Philadelphia and Commonwealth of Pennsylvania, on the 25th day of January , 1994 .

CORESTATES BANK, N.A.

By: \S\ Cathy Wiedecke

Name: Cathy Wiedecke
Title: Corporate Trust Officer

[Seal]

Attest:

By: \S\ Con Hromych

Name: Con Hromych
Title: Assistant Vice President

EXHIBIT 16(6)

CONSENT OF TRUSTEE REQUIRED BY SECTION 321(b)

OF THE TRUST INDENTURE ACT OF 1939, AS AMENDED

CoreStates Bank, N.A. hereby consents, subject to the terms and conditions of Section 321(b) of the Trust Indenture Act of 1939, as amended, that reports of examinations of its affairs by Federal, State, Territorial or District authorities may be furnished by such authorities to the Securities and Exchange Commission upon request of such Commission therefor.

CORESTATES BANK, N.A.

By: \s\ Cathy Wiedecke

Name: Cathy Wiedecke
Title: Corporate Trust Officer

EXHIBIT 16(7)

Legal Title of Bank: CoreStates Bank, National Association
Address: P.O. Box 7618
City, State Zip: Philadelphia, PA 19101-7618
FDIC Certificate No.: |0|0|7|1|9|

Call Date: 9/30/93 ST-BK: 42-0204 FFIEC 031
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Consolidated Report of Condition for Insured Commercial and State-Chartered Savings Banks for September 30,1993

All schedules are to be reported in thousands of dollars. Unless otherwise indicated, report the amount outstanding as of the last business day of the quarter.

Schedule RC--Balance Sheet

Dollar Amounts in Thousands		RCFD Bil Mil Thou	
		C400	--
ASSETS			
1. Cash and balances due from depository institutions (from Schedule RC-A):			
a. Noninterest-bearing balances and currency and coin(1)	0081	1,808,157	1.a.
b. Interest-bearing balances(2)	0071	1,081,230	1.b.
2. Securities (from Schedule RC-B)	0390	1,831,031	2.
3. Federal funds sold and securities purchased under agreements to resell in domestic offices of the bank and of its Edge and Agreement subsidiaries and in IBFs:			
a. Federal funds sold	0276	267,300	3.a.
b. Securities purchased under agreements to resell	0277	2,377	3.b.
4. Loans and lease financing receivables			
a. Loans and leases, net of unearned income (from Schedule RC-C).....	RCFD 2322	10,992,859	4.a.
b. LESS: Allowance for loan and lease losses	RCFD 3123	246,428	4.b.
c. LESS: Allocated transfer risk reserve	RCFD 3128	0	4.c.
d. Loans and leases, net of unearned income, allowance, and reserve (item 4.a minus 4.b and 4.c)	2125	10,746,431	4.d.
5. Assets held in trading accounts	2146	6,743	5.
6. Premises and fixed assets (including capitalized leases)	2145	275,631	6.
7. Other real estate owned (from Schedule RC-M)	2150	27,616	7.
8. Investments in unconsolidated subsidiaries and associated companies (from Schedule RC-M)	2130	86	8.
9. Customers' liability to this bank on acceptances outstanding	2155	629,269	9.
10. Intangible assets (from Schedule RC-M)	2143	21,395	10.
11. Other assets (from Schedule RC-F)	2160	387,433	11.
12. Total assets (sum of items 1 through 11)	2170	17,084,599	12.

(1) Includes cash items in process of collection and unposted debits.
(2) Includes time certificates of deposit not held in trading accounts.

Schedule RC--Continued

Dollar Amounts in Thousands		Bil Mil Thou	
Liabilities			
13. Deposits:			
a. In domestic offices (sum of totals of columns A and C from Schedule RC-E, part I)	RCON 2200	11,400,264	13.a.
(1) Noninterest-bearing(1)	RCON 6631 4,739,190		13.a.(1)
(2) Interest-bearing	RCON 6636 6,661,074		13.a.(2)
b. In foreign offices, Edge and Agreement subsidiaries, and IBFs (from Schedule RC-E, part II)	RCFN 2200	1,507,317	13.b
(1) Noninterest-bearing	RCFN 6631 380,429		13.b.(1)
(2) Interest-bearing	RCFN 6636 1,126,888		13.b.(2)
14. Federal funds purchased and securities sold under agreements to repurchase in domestic offices of the bank and of its Edge and Agreement subsidiaries, and in IBFs;			
a. Federal funds purchased	RCFD 0278	964,589	14.a.
b. Securities sold under agreements to repurchase	RCFD 0279	165,320	14.b.
15. Demand notes issued to the U.S. Treasury	RCON 2840	386,930	15.
16. Other borrowed money	RCFD 2850	49,962	16.
17. Mortgage indebtedness and obligations under capitalized leases	RCFD 2910	228	17.
18. Bank's liability on acceptances executed and outstanding	RCFD 2920	631,285	18.
19. Subordinated notes and debentures	RCFD 3200	218,648	19.
20. Other liabilities (from Schedule RC-G)	RCFD 2930	495,141	20.
21. Total liabilities (sum of items 13 through 20)	RCFD 2948	15,819,684	21.
22. Limited-life preferred stock and related surplus	RCFD 3282	0	22.
EQUITY CAPITAL			
23. Perpetual preferred stock and related surplus	RCFD 3838	0	23.
24. Common stock	RCFD 3230	37,308	24.
25. Surplus (exclude all surplus related to preferred stock)	RCFD 3839	700,539	25.
26. a. Undivided profits and capital reserves	RCFD 3632	528,826	26.a.
b. LESS: Net unrealized loss on marketable equity securities	RCFD 0297	0	26.b.
27. Cumulative foreign currency translations adjustments	RCFD 3284	(1,760)	27.
28. Total equity capital (sum of items 23 through 27)	RCFD 3210	1,264,915	28.
29. Total liabilities, limited-life preferred stock, and equity capital (sum of items 21, 22, and 28)	RCFD 3300	17,084,599	29.

Memorandum
To be reported only with the March Report of Condition.

	Number	
1. Indicate in the box at the right the number of the statement below that best describes the most comprehensive level of auditing work performed for the bank by independent external auditors as of any date during 1992	RCFD 6724 N/A	M.1.

1 - Independent audit of the bank conducted in accordance with generally accepted auditing standards by a certified public accounting firm which submits a report on the bank
2 - Independent audit of the bank's parent holding company conducted in accordance with generally accepted auditing standards by a certified public accounting firm which submits a report on the consolidated holding company (but not on the bank separately)
3 - Directors' examination of the bank conducted in accordance with generally accepted auditing standards by a certified public accounting firm (may be required by state chartering authority)
4 - Directors' examination of the bank performed by other external auditors (may be required by state chartering authority)
5 - Review of the bank's financial statements by external auditors
6 - Compilation of the bank's financial statements by external auditors
7 - Other audit procedures (excluding tax preparation work)
8 - No external audit work

(1) Includes total demand deposits and noninterest-bearing time and savings deposits.