

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM S-4

REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933**Office Depot, Inc.**

(Exact name of Registrant as specified in its charter)

Delaware

59-2663954

(State or other jurisdiction of incorporation or organization)

(I.R.S. Employer Identification No.)

2200 Old Germantown Road

Delray Beach, Florida 33445
(561) 438-4800

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

David C. Fannin, Esq.

Executive Vice President, General Counsel and Secretary
Office Depot, Inc.
12200 Old Germantown Road
Delray Beach, Florida 33445
(561) 438-4800

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copy to:

Phyllis G. Korff, Esq.

Skadden, Arps, Slate, Meagher & Flom LLP
Four Times Square
New York, New York 10036
(212) 735-3000
Fax: (212) 735-2000

Approximate date of commencement of proposed sale to the public: As soon as practicable after this registration statement becomes effective.

If the securities being registered on this Form are to be offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration number of the earlier effective registration statement for the same offering. If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

CALCULATION OF REGISTRATION FEE

| Title of Each Class of Securities to Be Registered | Amount to be Registered | Proposed Maximum Offering Price Per Unit(1) | Proposed Maximum Aggregate Offering Price(1) | Amount of Registration Fee |
|---|-------------------------------|--|---|----------------------------------|
| 6.250% Senior Notes due August 15, 2013 | \$400,000,000 | 100% | \$400,000,000 | \$32,360.00 |

(1) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(f) under the Securities Act of 1933, as amended.

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 Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

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

Subject to Completion, Dated September 8, 2003

PROSPECTUS

Office DEPOT

Offer to Exchange \$400,000,000 6.250% Senior Notes due August 15, 2013 for \$400,000,000

6.250% Senior Notes due August 15, 2013, Which Have Been Registered Under
the Securities Act of 1933, of

Office Depot, Inc.

The exchange offer will expire at 5:00 P.M.,

New York City time, on _____, 2003, unless extended.

Terms of the exchange offer:

- The exchange notes are being registered with the Securities and Exchange Commission and are being offered in exchange for the original notes that were previously issued in an offering exempt from the Securities and Exchange Commission's registration requirements. The terms of the exchange offer are summarized below and more fully described in this prospectus.
- We will exchange all original notes that are validly tendered and not withdrawn prior to the expiration of the exchange offer.
- You may withdraw tenders of original notes at any time prior to the expiration of the exchange offer.
- We believe that the exchange of original notes will not be a taxable event for U.S. federal income tax purposes.
- We will not receive any proceeds from the exchange offer.
- The terms of the exchange notes are substantially identical to the original notes, except that the exchange notes are registered under the Securities Act and the transfer restrictions and registration rights applicable to the original notes do not apply to the exchange notes.
- There is no existing market for the exchange notes to be issued, and we do not intend to apply for their listing on any securities exchange.

See "Risk Factors" beginning on page 11 for a discussion of the risks that should be considered by holders prior to tendering their original notes.

| Principal Amount | Annual Interest | Final Distribution Date |
|------------------|-----------------|-------------------------|
| \$400,000,000 | 6.250% | August 15, 2013 |

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

This document incorporates by reference important business, financial and other information about Office Depot, Inc. that is not included or delivered with this document. See "Available Information" on page 2 for a list of the documents that have been incorporated by reference into this document and how to obtain copies of these documents.

The date of this prospectus is _____, 2003.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained or incorporated by reference in this prospectus. You must not rely on any unauthorized information or representations. This prospectus does not offer to sell or ask for offers to buy any securities other than those to which this prospectus relates and it does not constitute an offer to sell or ask for offers to buy any of the securities in any jurisdiction where it is unlawful, where the person making the offer is not qualified to do so, or to any person who cannot legally be offered the securities. The information contained in this prospectus speaks only as of the date of this prospectus unless the information indicates that another date applies.

Until _____, 2003, all dealers that effect transactions in these securities, whether or not participating in this exchange offer, may be required to deliver a prospectus.

TABLE OF CONTENTS

| | Page |
|--|------|
| Available Information | ii |
| Cautionary Statement Regarding Forward-Looking Statements | iii |
| Prospectus Summary | 1 |
| Risk Factors | 11 |
| Use of Proceeds | 16 |
| Unaudited Pro Forma Condensed Combined Pro Forma Financial Information | 17 |
| Selected Historical Financial Data | 23 |
| Business | 25 |
| Our Debt | 30 |
| The Exchange Offer | 32 |
| Description of Notes | 40 |
| Plan of Distribution | 49 |
| Material U.S. Federal Income Tax Consequences | 50 |
| Legal Matters | 52 |
| Experts | 52 |
| Information Not Required in the Prospectus | II-1 |
| Index to Exhibits | II-7 |

As used in this prospectus, the terms "Office Depot," "the company," "we," "our" and "us" refer to Office Depot, Inc. and its subsidiaries and acquired assets as a combined entity, except in the "Description of the Notes," in other places where it is clear that the terms mean only Office Depot, Inc. and in places where it is clear that the terms mean only Office Depot, Inc. and its subsidiaries prior to its acquisition of Guilbert. "Guilbert" means Guilbert S.A., together with its subsidiaries.

AVAILABLE INFORMATION

Office Depot is subject to the informational requirements of the Securities Exchange Act of 1934, as amended, or the Exchange Act. In accordance with the Exchange Act, we file reports, proxy statements and other information with the Securities and Exchange Commission, or SEC. Such reports, proxy statements and other information can be read and copies obtained at the SEC's Public Reference Room at 450 Fifth Street, N.W., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the Public Reference Room. The SEC maintains an internet site at <http://www.sec.gov> that contains reports, proxy and information statements and other information regarding issuers that file electronically with the SEC, including us. In addition, our common stock is listed on the New York Stock Exchange, the Philadelphia Stock Exchange and the Pacific Exchange. Copies of the materials mentioned can also be obtained from them.

We have "incorporated by reference" certain documents that we file with the SEC. This means that we are disclosing important information to you by referring you to those documents. You should be aware that information in a document incorporated by reference may have been modified or superseded by information that is included in other documents that were filed at a later date and which are also incorporated by reference or included in this prospectus.

We incorporate by reference the documents listed below that we have filed with the SEC:

- Annual Report on Form 10-K for the year ended December 28, 2002;
- Quarterly Report on Form 10-Q for the quarter ended March 29, 2003;
- Quarterly Report on Form 10-Q for the quarter ended June 28, 2003;
- Proxy Statement, dated March 25, 2003 for the Annual Meeting of Stockholders held on May 1, 2003;
- Our Current Reports on Form 8-K and Form 8-K/A filed with the SEC on February 13, April 8, April 17, April 18, May 28, June 3, June 17, June 19, July 24, July 31, August 5, August 6 and September 3, 2003.

All reports and other documents we subsequently file pursuant to Sections 13(a), 13(c), 14 and 15(d) of the Exchange Act shall be deemed to be incorporated by reference into this prospectus and to be part of this prospectus from the date we subsequently file such reports and documents.

You may obtain a copy of any or all of the documents summarized in this prospectus or incorporated by reference in this prospectus, without charge, by request directed to Office Depot, Inc., 2200 Old Germantown Road, Delray Beach, Florida 33445, Attention: David C. Fannin, Executive Vice President, General Counsel and Secretary or by telephone to (561) 438-8800.

In order to obtain timely delivery, you must request this information no later than five business days before you make your investment decision.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Certain statements that we have made in this prospectus and in the documents incorporated by reference, and in future oral and written statements that we make may be forward-looking. These statements include comments as to our beliefs and expectations as to future events and trends affecting our business, our results of operations and our financial condition. These forward-looking statements are based upon our current expectations concerning future events and discuss, among other things, anticipated future performance and future business plans. Forward-looking statements are identified by such words and phrases as “expects,” “anticipates,” “intends,” “believes,” “will continue,” “plans to,” “could be,” “estimates” and similar expressions.

These forward-looking statements involve risks, uncertainties and other factors, including those described in the section entitled “Risk Factors” and elsewhere in this prospectus. These factors may cause our actual future results, performance and achievements to be materially different from those suggested or described in this prospectus. Forward-looking statements are necessarily subject to risks and uncertainties, many of which are outside our control, which could cause actual results to differ materially from such statements. We recognize that we are subject to a number of risks and uncertainties that may affect our future performance, such as:

- economic, political, business and market conditions in the geographic areas in which we conduct business;
- factors affecting our customers and the industries and markets in which we operate;
- competitive factors;
- changes in the value of foreign currencies against the U.S. dollar;
- our access to financing and other sources of capital, including changes in interest rates, credit availability and ratings;
- the effect on us of new pronouncements by accounting authorities;
- our ability to hire, develop and retain talented employees worldwide;
- our ability to enter new markets and acquire and integrate new businesses;
- the success of our key information systems projects;
- the magnitude and timing of our capital expenditures;
- our inventory management proficiency;
- changes in our relationships with customers and suppliers;
- legal proceedings and claims involving us; and
- acts and effects of war or terrorism.

The risks described above and in the section entitled “Risk Factors” are not exhaustive. New risks, uncertainties and other factors may emerge from time to time and it is not possible for us to predict all such risk factors. Except as required by the federal securities laws, we undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

PROSPECTUS SUMMARY

The following summary highlights selected information contained or incorporated by reference in this prospectus and does not contain all the information that may be important to you. You should carefully read this entire prospectus, including the financial data and related notes and the documents incorporated by reference in this prospectus, before making a decision to invest in the exchange notes.

Overview

We are the largest supplier of office products and services in the world, based on sales of \$11.4 billion in fiscal year 2002 and the recent addition of over €1 billion in annual sales from our newly acquired European contract business, Guilbert. As of June 28, 2003, excluding our Guilbert acquisition, we operated:

- 877 office supply stores in 44 U.S. states, the District of Columbia and 5 Canadian provinces;
- 22 customer service centers in 17 U.S. states;
- 182 office supply stores (including those operated under licensing and joint venture agreements) in eight countries outside of the United States and Canada; and
- 20 customer service centers in 13 countries outside of the United States.

We operate through retail stores under the Office Depot® name, and via the Internet, under Office Depot®, Viking Office Products®, 4Sure.com®, Computers4Sure.com®, Solutions4Sure.com® and Tech Depot®. Our contract and catalog businesses operate under the names Office Depot®, Viking Office Products® and Viking Direct®.

Our customer service centers are warehouse and delivery facilities, some of which also house sales offices, call centers and administrative offices.

We offer products to our consumer and business customers through several web sites worldwide, including 11 North American web sites and 33 international web sites in multiple languages, including www.officedepot.com. Our web sites have sophisticated work-flow components that help our customers electronically manage their ordering process for office supplies, with thousands of customer orders processed each day.

We sell to consumers and businesses of all sizes through our three business segments: the North American Retail Division, Business Services Group and International Division. These segments include multiple sales channels consisting of retail office supply stores, a dedicated contract sales force, Internet sites, and catalog and delivery operations.

North American Retail Division

Our North American Retail Division sells office products, copy and print services and other business-related services under the Office Depot® brand through our chain of high-volume retail office supply stores in the United States and Canada. We opened our first retail office supply store in Florida in October 1986. From our inception, we have concentrated on expanding our store base and increasing our sales in markets with high concentrations of small and medium-sized businesses. As of June 28, 2003, our North American Retail Division operated 877 retail stores in 44 U.S. states, the District of Columbia and 5 Canadian provinces. During the 2002 fiscal year, we opened 21 stores and closed 13 underperforming stores. In the first half of fiscal 2003, we opened 11 new stores and are on track to open a total of 35 to 40 stores by the end of the year. Most of our new stores will be located in areas we currently serve. Our North American Retail Division generated \$5.8 billion in sales for fiscal 2002 and \$2.8 billion in sales for the first half of fiscal 2003.

Business Services Group

Our Business Services Group sells office products and services to contract and commercial customers in North America through our Office Depot® and Viking Office Products® direct mail catalogs and Internet sites, and by means of our dedicated contract sales force. We began the Business Services Group when we entered the contract office supply business by acquiring eight contract stationers with 18 domestic customer service centers and a professional sales force and combined this segment with the existing catalog business. In August 1998, we expanded our direct mail business

through our merger with Viking Office Products, Inc. Our Business Services Group had \$3.9 billion in sales for fiscal 2002 and \$2.0 billion in sales for the first half of fiscal 2003.

International Division

Our International Division sells office products and services to a wide range of customers, from large corporations to individual consumers, in 20 countries outside the United States and Canada. Before our acquisition of Guilbert described below, we conducted our operations through the following four channels:

- 182 retail stores in eight countries, 58 of which are wholly-owned;
- Office Depot® brand and Viking Office Products® brand direct mail catalogs in 14 countries;
- 33 Internet sites in multiple languages; and
- a dedicated contract sales force primarily focused in France, the United Kingdom, Germany and the Netherlands.

We have expanded internationally through licensing and joint venture agreements, acquisitions and new development, including our merger with Viking Office Products, which had strong catalog businesses in key markets overseas, and our acquisition in June 2003 of Guilbert, a contract office supply business that is a billion dollar European enterprise. Currently, our International Division has operations, either owned directly or operated through joint ventures or licensing agreements, in Austria, Belgium, Costa Rica, France, Germany, Guatemala, Hungary, Ireland, Israel, Italy, Japan, Luxembourg, Mexico, the Netherlands, Poland, Portugal, Spain, Switzerland, Thailand, and the United Kingdom. Our International Division had \$1.6 billion in sales for fiscal 2002 and \$1.1 billion in sales for the first half of fiscal 2003. On a pro forma basis giving effect to our acquisition of Guilbert, the International Division had \$2.9 billion in sales for fiscal 2002.

The Guilbert Acquisition

On June 2, 2003, we purchased all of the shares of Guilbert from the Pinault-Printemps-Redoute Group. Established in 1959, Guilbert, together with its subsidiaries, is a leading European contract distributor of office supplies, furniture, small machines and equipment. Guilbert, with 2002 contract sales of €1.4 billion, sells to nearly 300,000 small, medium and large companies in France, the U.K., Ireland, Germany, Italy, the Netherlands, Spain, Belgium and Portugal through a direct sales force and through e-commerce and other Internet solutions.

We entered the European contract supplier business in 2000. The combination of Guilbert with our contract and catalog businesses accelerates our European growth, makes us the largest supplier of office products in several major European countries, and should produce operating synergies in purchasing, supply chain and administrative costs enabling us to increase our margins.

The total consideration for our acquisition of Guilbert was approximately €780 million, after post-closing adjustments. This purchase price remains subject to an upward adjustment of €40 million in cash or shares of our common stock if our common stock, as traded on the New York Stock Exchange, closes at a price equal to or above \$20 for any five consecutive trading days during the 18-month period following June 2, 2003.

Corporate Priorities and Growth Strategy

We are committed to making Office Depot a compelling place to shop across the retail, catalog, contract and Internet channels by offering our customers superior service and value-added solutions. Our commitment is summed up in our brand positioning statement "What you need. What you need to know." Our strategy is to:

- Grow our North American Retail Division by adding retail locations and formats that may vary in size, merchandise mix and service offerings to meet a range of customer needs across multiple markets;
- Continue to develop our corporate infrastructure, including our inventory management system and customer interface technologies, to support future growth initiatives and increase market penetration;

- Differentiate ourselves from our competition and increase customer loyalty by offering customized business services and solutions in addition to products;
- Leverage our integrated sales capabilities across our retail, catalog, contract and Internet channels to provide our customers with additional opportunities to make purchases and to further our competitive strengths as compared to smaller suppliers as well as mass merchant retailers with a less extensive presence in the office products market;
- Replicate our U.S. multi-channel sales model internationally by increasing synergies across our catalog, contract, Internet and retail channels; and
- Grow our global Internet presence and online revenues by developing additional foreign language web sites, refreshing and expanding the services and resources on our web sites and continually updating our online and e-commerce technology.

Headquarters

Our principal executive offices are located at 2200 Old Germantown Road, Delray Beach, Florida 33445 and our telephone number is (561) 438-8800.

Summary of the Exchange Offer

On August 11, 2003, we issued and sold \$400,000,000 aggregate principal amount of 6.250% Senior Notes due August 15, 2013 in a transaction exempt from the registration requirements of the Securities Act. As part of that offering, we entered into an exchange and registration rights agreement with the initial purchasers of the original notes in which we agreed, among other things, to deliver this prospectus to you and to commence this exchange offer. Below is a summary of the exchange offer:

Securities Offered Up to \$400,000,000 aggregate principal amount of new 6.250% Senior Notes due August 15, 2013, which have been registered under the Securities Act. The form and terms of these exchange notes are identical in all material respects to those of the original notes. The exchange notes, however, will not contain transfer restrictions, registration rights and additional interest applicable to the original notes.

The Exchange Offer We are offering to exchange new \$1,000 principal amount of our 6.250% Senior Notes due August 15, 2013, which have been registered under the Securities Act, for \$1,000 principal amount of our outstanding 6.250% Senior Notes due August 15, 2013.

In order to be exchanged, an original note must be properly tendered and accepted. All original notes that are validly tendered and not withdrawn will be exchanged. As of the date of this prospectus, there are \$400,000,000 principal amount of original notes outstanding. We will issue exchange notes promptly after the expiration of the exchange offer.

Resales Based on interpretations by the staff of the SEC, as detailed in a series of no-action letters issued to third parties, we believe that the exchange notes issued in the exchange offer may be offered for resale, resold or otherwise transferred by you without compliance with the registration and prospectus delivery requirements of the Securities Act as long as:

- you are acquiring the exchange notes in the ordinary course of your business;
- you are not participating, do not intend to participate and have no arrangement or understanding with any person to participate, in a distribution of the exchange notes; and
- you are not an affiliate of ours.

If you are an affiliate of ours, are engaged in or intend to engage in or have any arrangement or understanding with any person to participate in the distribution of the exchange notes:

- (1) you cannot rely on the applicable interpretations of the staff of the SEC; and
- (2) you must comply with the registration requirements of the Securities Act in connection with any resale transaction.

Each broker or dealer that receives exchange notes for its own account in exchange for original notes that were acquired as a result of market-making or other trading activities must acknowledge that it will comply with the registration and prospectus delivery requirements of the Securities Act in connection with any offer to resell, resale, or other transfer of the exchange notes issued in the exchange offer, including the delivery of a prospectus that contains information with respect to any selling holder required by the Securities Act in connection with any resale of the exchange notes.

Furthermore, any broker-dealer that acquired any of its original notes directly from us:

- may not rely on the applicable interpretation of the staff of the SEC's position contained in Exxon Capital Holdings Corp., SEC no-action letter (April 13, 1988), Morgan, Stanley & Co. Inc., SEC no-action letter (June 5, 1991) and Shearman & Sterling, SEC no-action letter (July 2, 1983); and
- must also be named as a selling noteholder in connection with the registration and prospectus delivery requirements of the Securities Act relating to any resale transaction.

| | |
|---|--|
| Expiration Date | 5:00 p.m., New York City time, on _____, 2003 unless we extend the expiration date. |
| Accrued Interest on the Exchange Notes and Original Notes | The exchange notes will bear interest from the most recent date to which interest has been paid on the original notes. If your original notes are accepted for exchange, then you will receive interest on the exchange notes and not on the original notes. |
| Conditions to the Exchange Offer | The exchange offer is subject to customary conditions. We may assert or waive these conditions in our sole discretion. If we materially change the terms of the exchange offer, we will resolicit tenders of the original notes. See "The Exchange Offer—Conditions to the Exchange Offer" for more information regarding conditions to the exchange offer. |
| Procedures for Tendering Original Notes | <p>Except as described in the section titled "The Exchange Offer — Guaranteed Delivery Procedures," a tendering holder must, on or prior to the expiration date:</p> <ul style="list-style-type: none">• transmit a properly completed and duly executed letter of transmittal, including all other documents required by the letter of transmittal, to SunTrust Bank at the address listed in this prospectus; or• if original notes are tendered in accordance with the book-entry procedures described in this prospectus, the tendering holder must transmit an agent's message to the exchange agent at the address listed in this prospectus. <p>See "The Exchange Offer — Procedures for Tendering."</p> |
| Special Procedures for Beneficial Holders | If you are the beneficial holder of original notes that are registered in the name of your broker, dealer, commercial bank, trust company or other nominee, and you wish to tender in the exchange offer, you should promptly contact the person in whose name your original notes are registered and instruct that person to tender on your behalf. See "The Exchange Offer — Procedures for Tendering." |
| Guaranteed Delivery Procedures | If you wish to tender your original notes and you cannot deliver the letter of transmittal or any other required documents to the exchange agent before the expiration date, you may tender your original notes by following the guaranteed delivery procedures under the heading "The Exchange Offer — Guaranteed Delivery Procedures." |

| | |
|---|---|
| Withdrawal Rights | Tenders may be withdrawn at any time before 5:00 p.m., New York City time, on the expiration date. |
| Acceptance of Original Notes and Delivery of Exchange Notes | Subject to the conditions stated in the section “The Exchange Offer — Conditions to the Exchange Offer” of this prospectus, we will accept for exchange any and all original notes which are properly tendered in the exchange offer before 5:00 p.m., New York City time, on the expiration date. The exchange notes will be delivered promptly after the expiration date. See “The Exchange Offer—Terms of the Exchange Offer.” |
| Material Federal Income Tax Consequences | Your exchange of original notes for exchange notes to be issued in the exchange offer will not be a taxable event for U.S. federal income tax purposes. See “Material U.S. Federal Income Tax Consequences.” |
| Exchange Agent | SunTrust Bank is serving as exchange agent in connection with the exchange offer. The address and telephone number of the exchange agent are listed under the heading “The Exchange Offer — Exchange Agent.” |
| Use of Proceeds | We will not receive any proceeds from the issuance of exchange notes in the exchange offer. We will pay all expenses incident to the exchange offer. See “Use of Proceeds.” |

Summary of the Terms of the Exchange Notes

The terms of the exchange notes we are issuing in the exchange offer and the original notes are identical in all material respects, except:

- the exchange notes will have been registered under the Securities Act;
- the exchange notes will not contain transfer restrictions and registration rights that relate to the original notes; and
- the exchange notes will not contain provisions relating to the payment of additional interest to be made to the holders of the original notes under circumstances related to the timing of the exchange offer.

The exchange notes will evidence the same debt as the original notes and will be governed by the same indenture. A brief description of the material terms of the exchange notes follows:

| | |
|------------------------|---|
| Issuer | Office Depot, Inc. |
| Exchange Notes Offered | \$400,000,000 aggregate principal amount of 6.250% Senior Notes due August 15, 2013. |
| Interest Payment Dates | February 15 and August 15 of each year, beginning February 15, 2004. |
| Optional Redemption | <p>We may redeem the exchange notes, in whole at any time or in part from time to time, at our option on not less than 30 nor more than 60 days' notice, at a redemption price equal to the greater of:</p> <ul style="list-style-type: none">• the principal amount being redeemed or• the sum of the present values of the remaining scheduled payments of principal and interest on the notes being redeemed, discounted to the redemption date on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate (as defined below under "Description of Notes — Optional Redemption") plus 30 basis points <p>plus, in either case, accrued and unpaid interest on the exchange notes to the redemption date.</p> |
| Ranking | The exchange notes are our unsecured senior obligations and will rank equally with all our existing and future unsecured and unsubordinated indebtedness. |
| Covenants | <p>We will issue the exchange notes under an indenture containing covenants for your benefit. This is the same indenture under which the original notes were issued. These covenants restrict our ability, with certain exceptions, to:</p> <ul style="list-style-type: none">• incur debt secured by liens; and• engage in sale and lease-back transactions. |

Summary Financial Information

The following table presents our summary consolidated financial and other data and our summary unaudited pro forma condensed combined financial information. The consolidated statements of earnings and other data for fiscal years 2000, 2001 and 2002 and the consolidated balance sheet data as of fiscal years end 2001 and 2002, are derived from our audited consolidated financial statements incorporated by reference herein from our Annual Report on Form 10-K for fiscal year 2002.

The consolidated statements of earnings and other data for the first half of fiscal years 2002 and 2003 and the consolidated balance sheet data as of June 28, 2003, are derived from our unaudited condensed consolidated financial statements incorporated by reference herein from our Quarterly Report on Form 10-Q for the second quarter of 2003. The unaudited condensed consolidated financial statements included in the Form 10-Q reflect all adjustments (consisting only of normal, recurring items) necessary to provide a fair presentation of our financial position and results of operations. The results for the first half of fiscal year 2003 include the financial results of Guilbert since its acquisition on June 2, 2003. The results for the first half of fiscal year 2003 are not necessarily indicative of operating results to be expected for the full year.

The pro forma financial information has been prepared to give effect to our acquisition of Guilbert and assumes that such transaction occurred at the beginning of fiscal 2002. The pro forma financial information is presented for illustrative purposes only and does not purport to be indicative of the results that would have been reported if the acquisition had occurred on such date, or that may occur in the future. The pro forma financial information does not give effect to tax reductions, cost savings or integration costs that may result from the combination of Office Depot's and Guilbert's operations.

We operate on a 52-week or 53-week calendar year ending on the last Saturday in December. Guilbert operated on a 52-week period ending on December 31. The fiscal year 2000 financial statements for Office Depot consist of 53 weeks; all other annual periods presented consist of 52 weeks. The pro forma financial information retains each company's respective reporting periods. For purposes of the pro forma presentation, Guilbert's results of operations have been modified from amounts originally reported under French generally accepted accounting principles to conform to accounting principles generally accepted in the United States of America. See note 3.

Guilbert's financial results have been converted from euro into U.S. dollars. The weighted average euro to U.S. dollar exchange rate used for 2002 was 1 euro to 0.943 dollar, and for the first five months of 2003 was 1 euro to 1.087 dollars.

You should read the financial and other data and our summary unaudited pro forma condensed combined financial information in conjunction with "Unaudited Pro Forma Condensed Combined Financial Information" in this prospectus, and "Management's Discussion and Analysis of Results of Operations and Financial Condition" and our consolidated financial statements and related notes incorporated by reference in this prospectus.

| | Fiscal Year | | | Pro Forma 2002 (Including Guilbert)(3) | First Half of Fiscal Year | | |
|--|--------------|--------------|--------------|--|---------------------------|-------------|--|
| | 2000 | 2001 | 2002 | | 2002 | 2003 | Pro Forma 2003 (Including Guilbert)(3) |
| (Amounts in thousands of dollars) | | | | | | | |
| Statements of Earnings Data: | | | | | | | |
| Sales | \$11,495,493 | \$11,082,112 | \$11,356,633 | \$12,637,944 | \$5,644,132 | \$5,871,560 | \$6,473,158 |
| Cost of goods sold and occupancy costs | 8,435,928 | 7,940,067 | 8,022,663 | 8,644,639 | 4,004,638 | 4,052,466 | 4,453,892 |
| Gross profit | 3,059,565 | 3,142,045 | 3,333,970 | 3,993,305 | 1,639,494 | 1,819,094 | 2,019,266 |
| Store and warehouse operating and selling expenses | 2,388,108 | 2,322,577 | 2,331,384 | 2,897,518 | 1,141,861 | 1,322,625 | 1,469,822 |
| General and administrative expenses | 447,693 | 445,538 | 486,279 | 589,199 | 237,841 | 251,972 | 291,250 |
| Facility closure costs and other operating expenses | 116,771 | 20,561 | 16,599 | 16,599 | 4,050 | 1,447 | 1,447 |
| Operating profit | 106,993 | 353,369 | 499,708 | 489,989 | 255,742 | 243,050 | 256,747 |
| Other income (expense), net | (16,706) | (39,416) | (20,503) | (39,753) | (10,335) | 2,766 | 1,865 |
| Earnings from continuing operations before income taxes and cumulative effect of accounting change | 90,287 | 313,953 | 479,205 | 450,236 | 245,407 | 245,816 | 258,612 |
| Income taxes | 41,972 | 112,296 | 167,722 | 193,889 | 86,476 | 82,252 | 91,712 |
| Earnings from continuing operations before cumulative effect of accounting change | 48,315 | 201,657 | 311,483 | \$ 256,347 | 158,931 | 163,564 | \$ 166,900 |
| Discontinued operations | 1,017 | (614) | (775) | — | 722 | 1,153 | — |
| Cumulative effect of accounting change, net | — | — | — | — | — | (25,892) | — |
| Net earnings | \$ 49,332 | \$ 201,043 | \$ 310,708 | — | \$ 159,653 | \$ 138,825 | — |

| | Fiscal Year | | | Pro Forma 2002 (Including Guilbert)(3) | First Half of Fiscal Year | |
|--|-------------|------------|------------|--|---------------------------|------------|
| | 2000 | 2001 | 2002 | | 2002 | 2003 |
| (Amounts in thousands of dollars, except ratios) | | | | | | |
| Other Data: | | | | | | |
| Cash flows provided by (used in): | | | | | | |
| Operating activities | \$ 314,926 | \$ 745,941 | \$ 701,897 | N/A | \$ 386,636 | \$ 174,133 |
| Investing activities: | | | | | | |
| Acquisition, net of cash acquired | — | (45,960) | — | N/A | — | (624,998) |
| Capital expenditures | (266,998) | (208,056) | (202,218) | N/A | (86,648) | (91,465) |
| Other investing activities | 28,363 | (25,015) | 2,752 | N/A | 11,092 | 45,373 |
| Financing activities | (134,093) | (85,403) | (212,625) | N/A | 52,197 | 25,435 |
| EBITDA(1) | 311,246 | 551,592 | 700,455 | 729,067 | 354,415 | 353,811 |
| Total debt to EBITDA | 2.4x | 1.2x | 0.6x | — | 1.9x | 1.3x |
| EBITDA to interest expense | 9.5x | 12.7x | 15.2x | — | 15.6x | 15.2x |
| Ratio of earnings to fixed charges | 1.5x | 2.7x | 3.6x | — | 3.7x | 3.6x |

| | Fiscal Year | | | Pro Forma 2002 (Including Guilbert)(3) | First Half of Fiscal Year |
|--|-------------|------------|------------|--|------------------------------|
| | 2000 | 2001 | 2002 | | |
| (Amounts in thousands of dollars, except ratios) | | | | | |
| Balance Sheet Data (at period end): | | | | | |
| Working capital | | \$ 790,752 | \$ 721,867 | \$1,217,706 | \$ 740,281 |
| Net property, plant and equipment | | 1,119,306 | 1,099,618 | 1,118,062 | 1,205,862 |
| Current maturities of long-term debt | | 153,259 | 318,521 | 16,115 | 13,365 |
| Long-term debt | | 598,499 | 317,552 | 411,970 | 435,958 |
| Stockholders' equity | | 1,601,251 | 1,848,438 | 2,297,112 | 2,524,246 |
| Percentage of total debt to capitalization | | 31.9% | 25.6% | 15.7% | 15.1% |

(1) EBITDA is a non-GAAP financial measure and should not be considered as an alternative to net earnings as an indicator of our operating performance, or as an alternative to cash flows from operating activities as a measure of our liquidity. Management believes that EBITDA is a commonly used measure of an entity's ability to incur and service debt. We have provided a reconciliation below of net earnings, computed in accordance with accounting principles generally accepted in the United States of America, to EBITDA as used in this table. Other income (expense), net used in this table includes interest income, interest expense and miscellaneous income and expense. This computation may not be comparable to similarly titled measures presented by other companies.

| | Fiscal Year | | | | | |
|--|--|-----------|-----------|----------------------------|---------------------------|-----------|
| | | | | Pro Forma 2002 | First Half of Fiscal Year | |
| | 2000 | 2001 | 2002 | (Including Guilbert)(3) | 2002 | 2003 |
| | (Amounts in thousands of dollars, except ratios) | | | | | |
| Net Earnings* | \$ 49,332 | \$201,043 | \$310,708 | \$ — | \$159,653 | \$138,825 |
| Cumulative effect of accounting change | — | — | — | — | — | (25,892) |
| Discontinued Operations | 1,017 | (614) | (775) | — | 722 | 1,153 |
| Earnings from continuing operations | 48,315 | 201,657 | 311,483 | 256,347 | 158,931 | 163,564 |
| Other income (expense), net | (16,706) | (39,416) | (20,503) | (39,753) | (10,335) | 2,766 |
| Income taxes | 41,972 | 112,296 | 167,722 | 193,889 | 86,476 | 82,252 |
| Depreciation and amortization(2) | 204,253 | 198,223 | 200,747 | 239,078 | 98,673 | 110,761 |
| EBITDA | \$311,246 | \$551,592 | \$700,455 | \$729,067 | \$354,415 | \$353,811 |

* Net earnings for fiscal year 2000 included facility closure costs and other charges related to a comprehensive business review. For further information, see our "Management's Discussion and Analysis" incorporated by reference to this prospectus.

(2) The pro forma depreciation and amortization is the sum of Guilbert's property charges of €18.5 million and intangible asset amortization of €14.0 million, adjusted to remove €14.6 million relating to depreciation and amortization from a business Guilbert sold during 2002, translated into \$16.9 million, plus the Office Depot depreciation and amortization of \$200.7 million and amortization of purchased intangibles of \$21.5 million.

(3) For purposes of the pro forma presentation, Guilbert's results of operations and financial position have been modified from amounts originally reported under French generally accepted accounting principles to conform to accounting principles generally accepted in the United States of America. The primary differences have been to:

- recognize the disposition of a business segment during 2002 as discontinued operations;
- eliminate amortization of goodwill and adopt the initial goodwill impairment testing requirement;
- recognize in current operations unrealized foreign currency gains; and
- reclassify various account balances to conform to U.S. GAAP and Office Depot's presentation.

RISK FACTORS

You should carefully consider the risks described below, in addition to the other information contained in this prospectus and the documents incorporated by reference in this prospectus, before making an investment decision. The risks described below are not the only ones facing our company. Additional risks not presently known to us or that we currently deem immaterial may also impair our business operations. Our business, financial condition or results of operations could be materially adversely affected by any of these risks.

Risks Related to Our Business

We face intense competition.

We compete with a variety of retailers, dealers and distributors in a highly competitive marketplace that includes office supply superstores, warehouse clubs, computer stores, Internet-based merchandisers and well-established mass merchant retailers. Even grocery and drug-store chains have begun to carry at least limited supplies of basic office supplies and technology items, including printer supplies such as ink cartridges and toner cartridges.

Significant competitive factors include the following:

- Well-established mass merchant retailers have the financial and distribution abilities to compete effectively with us should they choose to (a) increase their presence in the office superstore retail business, Internet office supply business or contract stationer business, or (b) substantially expand their office product offerings in their existing retail outlets.
- We may encounter significant competition in the areas of price and selection from merchants that are heavily focused on Internet sales, some of whom may operate few, if any, stores and thereby limit their fixed costs. In particular, they may be formidable competitors with respect to customers who are willing to look for the absolute lowest price without regard to the other attributes of our business model, including advice and service.
- Increasing numbers of manufacturers of computer hardware, software and peripherals, including certain of our suppliers, have expanded their own direct marketing of products, particularly over the Internet.

Even as we expand our Internet efforts, our ability to anticipate and adapt to the developing Internet marketplace and the capabilities of our network infrastructure to efficiently handle our rapidly expanding operations are of critical importance. Failure to execute well in any of these key areas could have a material adverse effect on our competitiveness, future sales growth and profitability.

There is a possibility that any or all of these competitors could become more aggressive in the future, thereby increasing the number and breadth of our competitors, potentially having a material adverse effect on our business and results of our operations.

The current economic downturn in the global economy has adversely affected, and may continue to adversely affect, our business and operating results.

Since the third quarter of 2000, the U.S. and global economies have been in a downturn. The economic problems of the past several years have had an adverse impact on a number of our customers, resulting in some cases in cutbacks of their expenditures for office supplies and other items we sell to them. The economic downturn has also increased unemployment, stagnated business growth rates and substantially decreased the formation of new businesses. All these factors have combined to negatively affect our results since the second half of 2000. The depth and duration of this general economic slowdown may adversely affect our business and the results of our operations in the future.

We could encounter difficulties in integrating Guilbert, our recent acquisition in the European contract stationer business, with our European operations.

On June 2, 2003, we acquired Guilbert, a European contract stationer business. This acquisition almost doubles the size of our operations in Europe. Guilbert is itself in part the product of a number of relatively recent acquisitions in a variety of different European locations and is not a fully-integrated company. Its integration with our existing business operations in Europe will present many challenges and will demand the full-time attention of several key managers in

Europe, and the part-time attention of many others. The demands placed on the time of our management team in the Guilbert integration may adversely affect the operation of our existing businesses in Europe. Our experience in integrating large acquisitions, such as the integration of Viking, indicates that the integration could take longer than planned and be subject to unanticipated difficulties and expenses. Key risks involve:

- failure to execute as well or as quickly as anticipated on our integration plans;
- loss of key personnel in the acquired company;
- more difficulty in achieving cash savings than originally contemplated; and
- resistance to cultural changes in the acquired organization.

Furthermore, prior to our acquisition, Guilbert reported only under French generally accepted accounting principles and was not subject to U.S. securities laws or accounting rules. We may encounter unforeseen difficulties implementing the different and demanding accounting and disclosure controls applied to Guilbert by U.S. law.

The failure to expand by opening new stores as planned or the failure to generate the anticipated sales in new stores could have a material adverse effect on our future sales growth and profitability.

An important aspect of our business plan is to continue to increase our overall number of stores in the United States and overseas, while engaging in ongoing rationalization efforts to maintain an optimal portfolio of stores by closing those that no longer meet our investment requirements. Although we closed 73 underperforming stores in 2001 and 13 underperforming stores in 2002, we continued growing our business by opening a total of 65 new stores during 2001 and 2002 and 11 new stores during the first six months of 2003. At times in the past, our expansion activities have been hampered by less than optimal selection of real estate locations, resulting in some stores that have failed to meet their planned financial results. Furthermore, circumstances outside our control, such as adverse weather conditions affecting construction schedules, unavailability of acceptable sites or materials, labor disputes and similar issues could have a negative impact on anticipated store openings. For our growth strategy to be successful, we must identify and lease strategically located store sites, hire and train employees and adapt management and operational systems to meet the needs of the expanded operations. These tasks may prove difficult to accomplish.

Our new stores typically require an extended period of time to reach the sales and profitability levels of our existing stores. In addition, our expansion strategy includes opening new stores in markets where we already have a presence and these new stores may cause a loss of sales in existing stores in nearby areas. The opening of new stores does not ensure that those stores will be as profitable as existing stores. In particular, this is a risk when those stores are opened in proximity to our existing stores, in highly competitive markets or markets in which other office supply superstores may have achieved "first mover" advantage. In addition, our profitability would be adversely affected if our competitors were to attempt to capture market share by reducing prices. Any or all of the circumstances described above could have a material adverse effect on our anticipated future revenues and profits.

The remodeling and re-merchandising of our stores and the associated costs are expected to continue affecting store expenses throughout 2003 and beyond.

Our future expansion plans include opening retail stores of different sizes and using different store formats and layouts than our traditional superstore models. Our future plans may also include efforts to remodel and re-merchandise existing stores. The expenses associated with such activities could have a significant impact on our net income in the future. We cannot determine with certainty whether we will derive the anticipated benefit from these newly sized or formatted stores.

We may reach maximum capacity in our warehouses and distribution centers and experience constraints in our supply chains and logistics systems, which may limit our growth.

We have and periodically continue to reach the maximum capacity of our warehouse and distribution centers and to encounter constraints in our current supply chains and logistics systems. We cannot assure you that we will be able to obtain additional product distribution capacity in an efficient or a cost effective manner. Any inability to continue to increase our capacity may limit our ability to grow our business and meet our financial projections and goals.

Doing business outside the United States involves numerous risks that could negatively affect our business and operating results.

We source product from and operate businesses in a number of international markets and intend to continue to enter into additional international markets as attractive opportunities arise. In addition to the risks described above, internationally we face risks such as:

- foreign currency fluctuations;
- unstable political, economic, financial and market conditions, including those that may arise from terrorism;
- compromised operating control of some of our foreign operations that are not wholly-owned;
- foreign manufacturers failing to deliver products meeting our deadlines or specifications; and
- lack of adequate management resources.

Because of differing commercial practices, laws and other factors, our ability to use the Internet and electronic commerce to substantially increase sales in international locations may not progress at the anticipated rate.

Recent world events have served to underscore even further the risks and uncertainties of operating in other parts of the world. Risks of civil unrest, war and economic crisis in portions of the world outside North America in which we operate represent a more significant factor than may have been the case in the past. Terrorist attacks similar to the ones committed on September 11, 2001 may directly affect our ability to keep our operations and services functioning properly. Future attacks could create problems for our computer systems, disrupt services, and delay product development and enhancement.

We source many of our products from outside the United States, particularly in the Far East. The increased reliance on foreign sourced products introduces its own set of risks and uncertainties. Sources of supply may prove to be unreliable, or the quality of the sourced products may vary from our expectations. Economic and civil unrest in areas of the world where we source such products could adversely impact the availability or cost of such products, or both. Moreover, this increased reliance on globally sourced products also subjects our company to other risks, such as the protracted dockworkers strike on the U.S. West Coast that adversely affected imported products for a substantial period of time in 2002.

All of these risks could have a material adverse effect on our financial position or our results from operations. Moreover, as we increase the relative percentage of our business that is operated globally, we also increase the impact these factors have on our future operating results. For instance, our operation in Japan has proven to be disappointing to date and has generated losses that have materially affected our financial results in the past and may do so in the future.

We are exposed to a material amount of foreign currency exchange risk.

We conduct a significant portion of our business in countries where the functional currency is not the U.S. dollar. This results in foreign exchange translation exposure when results of these foreign operations are translated into U.S. dollars in our consolidated financial statements. We experienced significant fluctuations in foreign currency exchange rates in 2002, which affected the sales and earnings in our International Division. The acquisition of Guilbert in June 2003 has increased our operations in countries that use the euro and British pound as functional currencies. Accordingly, a greater percentage of the Company's reported results of operations is subject to changes in foreign currency exchange rates. Our results may continue to be affected by foreign currency fluctuations, both positive and negative, in the future as the value of the U.S. dollar changes against other currencies.

Our quarterly operating results have fluctuated significantly in the past and may continue to do so in the future.

Fluctuations in our quarterly operating results have occurred in the past and may occur in the future. A variety of factors could contribute to this quarter-to-quarter variability, including:

- new store openings that require an outlay of pre-opening expenses, generate lower initial profit margins or divert sales away from existing stores;
- timing and effectiveness of warehouse integration activities;

- competitors' pricing actions;
- changes in our product mix;
- fluctuations in the level of advertising and promotional expenses;
- effects of seasonality;
- fluctuations in our recognition of vendor rebates;
- effects of acquisitions; and
- competitive store openings or other events.

In addition, our operating results may fall below securities analysts' expectations, which may cause the price of our securities to fall abruptly and significantly. Our current operating results should not be relied upon as an indication of future performance.

Risks Related to the Offering

You may have difficulty selling the original notes that you do not exchange.

If you do not exchange your original notes for exchange notes in the exchange offer, you will continue to be subject to the restrictions on transfer of your original notes described in the legend on your original notes. The restrictions on transfer of your original notes arise because we issued the original notes under exemptions from, or in transactions not subject to, the registration requirements of the Securities Act and applicable state securities laws. In general, you may only offer or sell the original notes if they are registered under the Securities Act and applicable state securities laws, or offered and sold under an exemption from these requirements. We do not intend to register the original notes under the Securities Act. To the extent original notes are tendered and accepted in the exchange offer, the trading market, if any, for the original notes would be adversely affected. See "The Exchange Offer — Consequences of Failure to Exchange Original Notes" for a discussion of the possible consequences of failing to exchange your original notes.

You may find it difficult to sell your exchange notes because there is no existing trading market for the exchange notes.

You may find it difficult to sell your exchange notes because an active trading market for the exchange notes may not develop. There is no existing trading market for the exchange notes. We do not intend to apply for listing or quotation of the exchange notes on any exchange, and so we do not know the extent to which investor interest will lead to the development of a trading market or how liquid that market might be. Although Citigroup Global Markets Inc., Goldman, Sachs & Co., Banc One Capital Markets, Inc., BNP PARIBAS Securities Corp., Fleet Securities, Inc., Wachovia Capital Markets, LLC, the initial purchasers of the original notes, have informed us that they intend to make a market in the exchange notes, they are not obligated to do so, and any market-making may be discontinued at any time without notice. As a result, the market price of the exchange notes, as well as your ability to sell the exchange notes, could be adversely affected.

Broker-dealers or noteholders may become subject to the registration and prospectus delivery requirements of the Securities Act.

Any broker-dealer that:

- exchanges its original notes in the exchange offer for the purpose of participating in a distribution of the exchange notes, or
- resells exchange notes that were received by it for its own account in the exchange offer, may be deemed to have received restricted securities and may be required to comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale transaction by that broker-dealer. Any profit on the resale of the exchange notes and any commission or concessions received by a broker-dealer may be deemed to be underwriting compensation under the Securities Act.

In addition to broker-dealers, any noteholder that exchanges its original notes in the exchange offer for the purpose of participating in a distribution of the exchange notes may be deemed to have received restricted securities and may be

required to comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale transaction by that noteholder.

Significant portions of our operations exist at our subsidiary level and our subsidiaries have no obligations under the new notes.

We derive much of our revenue from our subsidiaries. The indenture governing the original and exchange notes permits us and our subsidiaries to incur a substantial amount of additional indebtedness, and does not require our subsidiaries to guarantee the original and exchange notes. In the event of a bankruptcy, liquidation or reorganization of a subsidiary, holders of any of that subsidiary's indebtedness will have a claim to the assets of the subsidiary that is prior to our interest in those assets.

As of June 28, 2003, after giving effect to the sale of the original notes and the application of the net proceeds therefrom, the aggregate amount of indebtedness of our subsidiaries would have been approximately \$20.7 million, in addition to other liabilities, including trade payables. Because of restrictive covenants and financial ratios contained in our credit facility and our senior subordinated notes, our subsidiaries are limited in their ability to incur additional indebtedness. In the event our senior subordinated notes are rated investment grade by Moody's Investors Service, Inc. and Standard & Poor's Ratings Group and neither rating agency attaches any "negative outlook" or "negative credit watch" to the rating of the subordinated notes, the majority of the restrictive covenants in the senior subordinated notes' indenture, including the limitation on indebtedness, will be terminated. Following the termination of our credit facility in April 2005 and either an upgrade of our senior subordinated notes to an investment grade level or maturity of the senior subordinated notes in July 2008, our subsidiaries may incur substantial additional indebtedness. If any subsidiary indebtedness were to be accelerated, there can be no assurance that the assets of that subsidiary would be sufficient to repay the indebtedness or that our assets and the assets of our other subsidiaries would be sufficient to repay in full our indebtedness, including the original and exchange notes.

USE OF PROCEEDS

We will not receive any proceeds from the exchange offer. In consideration for issuing the exchange notes, we will receive in exchange the original notes of like principal amount, the terms of which are identical in all material respects to the exchange notes. The original notes surrendered in exchange for exchange notes will be retired and canceled and cannot be reissued. Accordingly, the issuance of the exchange notes will not result in any increase in our indebtedness. We have agreed to bear the expenses of the exchange offer. No underwriter is being used in connection with the exchange offer.

The net proceeds of the sale of the original notes on August 11, 2003 were approximately \$395,580,000 million which we are using for general corporate purposes.

UNAUDITED PRO FORMA CONDENSED COMBINED

PRO FORMA FINANCIAL INFORMATION

The following unaudited pro forma condensed combined financial information has been prepared to give effect to our acquisition on June 2, 2003 of Guilbert, a European contract stationer. The unaudited condensed combined pro forma results of operations assume that such transaction occurred at the beginning of fiscal 2002. The pro forma financial information is presented for illustrative purposes only and does not purport to be indicative of the results that would have been reported if the acquisition had occurred on such date, or that may occur in the future. The pro forma information does not give effect to tax reductions, cost savings or integration costs that may result from the combination of our and Guilbert's operations.

We operate on a 52-week or 53-week calendar year ending on the last Saturday in December. Guilbert operated on a 52-week period ending on December 31. The pro forma financial information retains each company's respective reporting periods. For purposes of the pro forma presentation, Guilbert's results of operations and financial position have been modified from amounts originally reported under French generally accepted accounting principles to conform to accounting principles generally accepted in the United States of America. The primary differences have been to:

- recognize the disposition of a business segment during 2002 as discontinued operations;
- eliminate amortization of goodwill and adopt the initial goodwill impairment testing requirement;
- recognize in current operations unrealized foreign currency gains; and
- reclassify various account balances to conform to U.S. GAAP and Office Depot's presentation.

Additional information is provided in the notes to the unaudited pro forma condensed combined financial information. Guilbert's financial results have been converted from euros into U.S. dollars. The weighted average euro to U.S. dollar exchange rate used for 2002 was 1 euro to 0.943 dollar, and for the first five months of 2003 was 1 euro to 1.087 dollars. Balance sheet data for Guilbert is included in our balance sheet data as of June 28, 2003.

You should read our pro forma financial information in conjunction with our consolidated financial statements and related notes and "Management's Discussion and Analysis of Results of Operations and Financial Condition" incorporated by reference in this prospectus.

UNAUDITED PRO FORMA CONDENSED COMBINED RESULTS OF OPERATIONS

For the fiscal year 2002

| | <u>Office Depot</u> | <u>Guilbert</u> | <u>Pro Forma Adjustments*</u> | <u>Pro Forma</u> |
|---|--|--------------------|-----------------------------------|-------------------|
| | (In thousands, except per share data) | | | |
| Sales | \$11,356,633 | \$1,281,311 | — | \$12,637,944 |
| Cost of goods sold and occupancy costs | 7,781,410 | 863,229 | — | 8,644,639 |
| Gross profit | 3,575,223 | 418,082 | — | 3,993,305 |
| Store and warehouse operating and selling expenses | 2,574,101 | 301,966 | \$ 21,451(a) | 2,897,518 |
| General and administrative expenses | 486,279 | 102,920 | — | 589,199 |
| Other operating expenses | 16,599 | — | — | 16,599 |
| Operating profit | 498,244 | 13,196 | (21,451) | 489,989 |
| Other income (expense), net | (20,503) | (11,345) | (7,905)(b) | (39,753) |
| Earnings from continuing operations before income taxes | 477,741 | 1,851 | (29,356) | 450,236 |
| Income taxes | 167,252 | 36,325 | (9,688)(c) | 193,889 |
| Earnings (loss) from continuing operations | \$ 310,489 | \$ (34,474) | \$(19,668) | \$ 256,347 |
| Earnings per share from continuing operations: | | | | |
| Basic | \$ 1.01 | | | \$ 0.84 |
| Diluted | 0.98 | | | 0.81 |

* See Note 3 in the accompanying notes to the Unaudited Pro Forma Condensed Combined Financial Information.

The accompanying notes should be read in conjunction with this pro forma condensed combined financial information.

UNAUDITED PRO FORMA CONDENSED COMBINED RESULTS OF OPERATIONS

For the First Half 2003

| | Office Depot First Half 2003 | Guilbert Five Months Ended May 31, 2003 | Pro Forma Adjustments* | Pro Forma |
|---|---------------------------------------|--|---------------------------|-------------------|
| | (In thousands, except per share data) | | | |
| Sales | \$5,871,560 | \$601,598 | — | \$6,473,158 |
| Cost of goods sold and occupancy costs | 4,052,466 | 401,426 | — | 4,453,892 |
| Gross profit | 1,819,094 | 200,172 | — | 2,019,266 |
| Store and warehouse operating and selling expenses | 1,322,625 | 141,292 | \$ 5,905(a) | 1,469,822 |
| General and administrative expenses | 251,972 | 39,278 | — | 291,250 |
| Other operating expenses | 1,447 | — | — | 1,447 |
| Operating profit | 243,050 | 19,602 | (5,905) | 256,747 |
| Other income (expense), net | 2,766 | 3,596 | (4,497)(b) | 1,865 |
| Earnings from continuing operations before income taxes | 245,816 | 23,198 | (10,402) | 258,612 |
| Income taxes | 82,252 | 12,893 | (3,433)(c) | 91,712 |
| Earnings (loss) from continuing operations | \$ 163,564 | \$ 10,305 | \$ (6,969) | \$ 166,900 |
| Earnings per share from continuing operations: | | | | |
| Basic | \$ 0.53 | | | \$ 0.54 |
| Diluted | 0.52 | | | 0.54 |

* See Note 3 in the accompanying notes to the Unaudited Pro Forma Condensed Combined Financial Information.

The accompanying notes should be read in conjunction with this pro forma condensed combined financial information.

NOTES TO UNAUDITED PRO FORMA
CONDENSED COMBINED FINANCIAL INFORMATION

Note 1 — The Acquisition

The pro forma information has been prepared to reflect our acquisition of Guilbert for an aggregate price of \$951.6 million. The purchase price has been initially allocated as summarized below:

| | June 2, 2003 (In millions) |
|----------------------------------|---------------------------------------|
| Current assets | \$ 450.2 |
| Property, plant and equipment | 94.8 |
| Intangible assets | 181.5 |
| Goodwill | 589.2 |
| Other assets | 90.9 |
| Total assets acquired | 1,406.6 |
| Current liabilities | 245.2 |
| Long-term liabilities | 209.8 |
| Total liabilities assumed | 455.0 |
| Net assets acquired | \$ 951.6 |

The purchase price, after preliminary adjustments for working capital and certain indebtedness, was €788.0 million. Of this amount, €523.0 million was paid on June 2, 2003 and €265.0 million was paid on June 30, 2003. Because our quarter ended on June 28, 2003, the second installment is reflected as a current liability in our condensed consolidated financial statements at quarter end. The purchase price and capitalizable costs of the transaction have been allocated to the fair value of assets and liabilities acquired based on the euro to U.S. dollar exchange rate of 1 euro to 1.1712 dollars on June 2, 2003, the date of the purchase transaction. A working capital adjustment completed subsequent to the end of the quarter has reduced the acquisition cost to €780 million and will be included in valuation adjustments during the third quarter of 2003.

The purchase price has been allocated to the estimated fair value of the assets and liabilities based on preliminary independent appraisals and management's estimates. As this work is completed, these preliminary valuations may change, possibly significantly. The company is in the process of assessing and formulating a plan of integration for the two businesses. The integration plan will likely include closing some facilities, and terminating or relocating employees. As the company refines its plan of integration, decisions relating to Guilbert personnel or exit activities will impact the value assigned to goodwill. No estimated integration activity has been included in the preliminary purchase price allocation. Any personnel or exit activities relating to our business will be expensed when incurred, unless capitalizable under separate accounting rules. Additionally, goodwill reported in future periods might be affected by a contingent payment to the former parent of Guilbert. If the price of our stock trades above \$20 per share for five consecutive days during the 18-month period subsequent to June 2, 2003, we will pay €40 million to the seller, in a combination of cash and our common stock determined at our discretion. This contingent payment has not been included in the current value allocated to assets and liabilities because of the uncertainty of payment, but would increase goodwill if paid. A receivable from the seller has been recorded relating to certain indemnifications, principally the value of an unfunded pension liability to be determined and settled at a future date. The estimated unfunded pension liability at June 2, 2003 has been included in the liabilities assumed. This liability and the related receivable from the seller will change based upon future plan valuations until settled.

Note 2 — Basis of Presentation

Office Depot. Our results of operations for 2002 have been derived from the audited financial statements for that period, but have been subject to certain reclassifications to conform to current accounting presentation. In the first quarter of 2003, we adopted Emerging Issues Task Force, or EITF, Issue No. 02-16, *Accounting for Cash Consideration Received from a Vendor*. The primary annual effect of this change is the reclassification of payments received from

**NOTES TO UNAUDITED PRO FORMA
CONDENSED COMBINED FINANCIAL INFORMATION — (Continued)**

vendors related to cooperative advertising arrangements from the previous treatment as a credit against advertising expense to a credit against cost of goods sold. The EITF issue did not allow for restatement of prior periods, but this pro forma information for the fiscal 2002 has been adjusted to consistently apply this newly-adopted accounting treatment.

Guilbert. Guilbert's results of operations were prepared under French generally accepted accounting principles, with the euro as its functional currency. For purposes of this unaudited pro forma disclosure, Guilbert's results have been modified to reflect accounting principles generally accepted in the United States of America, or U.S. GAAP, and translated into U.S. dollars. These modifications have been based on discussions with Guilbert management and review of significant accounting transactions prior to the acquisition. However, this conversion has not been subject to an audit and may not include all such modifications that would be identified if additional review and testing had been performed. The primary modifications made include:

- *Presentation of the disposal of the catalog business during 2002 as a discontinued operation.* Under U.S. GAAP for such disposals, the revenues and expenses of a business sold are removed from the respective line items of the statement of operations and reported, along with the after-tax gain or loss, net on a separate line below income from continuing operations. Revenues and operating profit (under French GAAP) from the catalog business sold during 2002 were approximately €360.6 million and €36.9 million, respectively. The gain on sale of €379.4 million and the related tax effects also would be included in the line used to report discontinued operations. Because the pro forma information is to be presented only through income from continuing operations, the individual components described represent differences between the pro forma statement of operations and Guilbert's Consolidated Income Statement presented in the audited financial statements in the Form 8-K/A, dated July 31, 2003 incorporated by reference to this prospectus.
- *Treatment of goodwill.* With the issuance of Statement of Financial Accounting Standards, or FAS, No. 142, *Goodwill and Other Intangible Assets*, goodwill is no longer amortized under U.S. GAAP. Guilbert's historical statements of operations have been modified to exclude goodwill amortization relating to the contract business of €10.1 million for 2002 and €4.1 million for the first five months of 2003. Additionally, with the initial implementation of FAS 142, companies were required to evaluate goodwill for potential impairment, with such impairment presented as a cumulative effect of an accounting change. Accordingly, Guilbert's goodwill impairment charge of €23.6 million recorded in 2002 has been excluded from income from continuing operations.
- *Exceptional Items.* In addition to the gain on disposal of the catalog business discussed above, exceptional items reported in Guilbert's income statement prepared in accordance with French GAAP included items that would be reported within operating profit under U.S. GAAP. These items are considered unusual and include asset write-downs, loss contingency accruals, severance arrangements, and other items, but they would not meet the criteria for extraordinary item treatment under U.S. GAAP. Accordingly, exceptional items for 2002 have been reclassified to increase store and warehouse operating and selling expenses by €20.1 million, general and administrative expenses by €18.7 million, and tax expense by €7.6 million. Similarly, the exceptional items net expense of €9.1 million for the first five months of 2003 have been reclassified into operating expenses.

Certain other revenue and expense items included in the original Guilbert financial statements have been reclassified to conform to our presentation.

Guilbert's operations are included in our results following the acquisition date of June 2, 2003. Accordingly, the unaudited pro forma results of operations for the six months ended June 28, 2003 presents separately the historical Guilbert operations for the five months ended May 31, 2003.

Guilbert's income tax expense for 2002 and for the first five months of 2003 reflects an inability to offset income and losses across certain jurisdictions and includes the write-off of certain deferred tax assets. This tax structure may change following the acquisition and past results may not be indicative of the tax expense in future periods.

The weighted average euro to U.S. dollar exchange rate used for conversion of Guilbert's results for 2002 was 1 euro to 0.943 dollar, and for the first five months of 2003 was 1 euro to 1.087 dollars.

**NOTES TO UNAUDITED PRO FORMA
CONDENSED COMBINED FINANCIAL INFORMATION — (Continued)**

Note 3 — Pro forma Adjustments

Pro forma adjustments have been made to reflect:

(a) *The amortization of acquired intangible assets.* At June 2, 2003, intangible assets include \$64.4 million for customer-related intangibles and \$117.1 million for tradenames. The amortization of customer-related intangibles is based on projected customer turnover that accelerates amortization in the early years of the estimated five-year life. The preliminary value assigned to tradenames is under continuing review, and has been given an indefinite life for purposes of the initial purchase price allocation. As our valuation work progresses, the value and life assigned to intangible assets may change. The indefinite life tradenames and goodwill will be tested annually for impairment.

(b) *An assumed net interest cost.* A provision has been calculated to reduce assumed interest income on the cash used for the acquisition, partially offset by a reduction in Guilbert's interest expense related to convertible debt and accounts receivable securitization, both of which were extinguished in transactions that were directly related to the acquisition. These calculations are based on an assumed interest rate of 2.0% for 2002 and 1.75% for the first five months of 2003, offset by Guilbert's actual interest expense on the liquidated indebtedness.

(c) *Tax effects of the pro forma adjustments.* An income tax benefit has been computed relating to the foregoing adjustments, based upon an assumed statutory rate of 33%. See Note 2 above for discussion of Guilbert's tax structure and deferred tax write-offs in 2002 and the first five months of 2003. The statutory rate may not be indicative of Guilbert's future effective tax rate.

SELECTED HISTORICAL FINANCIAL DATA

The consolidated statement of earnings and other data for fiscal years 2000, 2001 and 2002 and the consolidated balance sheet data as of the fiscal 2001 and 2002 are derived from our audited consolidated financial statements incorporated by reference in this prospectus. Our fiscal years are based on a 52-week or 53-week period ending on the last Saturday in December. The fiscal year 2000 financial statements consist of 53 weeks; all other periods presented consist of 52 weeks. The consolidated statement of earnings and other data for the fiscal years 1998 and 1999 and the consolidated balance sheet data as of fiscal year end 1998, 1999 and 2000 are derived from our audited consolidated financial statements, which are not included or incorporated by reference in this prospectus.

The consolidated statement of earnings and other data for the first half of fiscal years 2002 and 2003 and the condensed consolidated balance sheet data as of June 28, 2003 are derived from our unaudited condensed consolidated financial statements incorporated by reference in this prospectus. The results for the first half of fiscal year 2003 are not necessarily indicative of operating results to be expected for the full year.

Our acquisition of Guilbert occurred after our 2002 fiscal year end and therefore is not reflected in our selected historical financial data for that period or prior periods. Our selected financial data for the first half of fiscal year 2003 includes the results of operations of Guilbert following its acquisition on June 2, 2003.

You should read our selected historical financial data in conjunction with "Unaudited Pro Forma Condensed Combined Financial Information" in this prospectus, and our consolidated financial statements and related notes and "Management's Discussion & Analysis of Results of Operations and Financial Condition" incorporated by reference in this prospectus.

| | Fiscal Year | | | | | First Half of Fiscal Year | |
|---|-------------|--------------|--------------|--------------|--------------|---------------------------|-------------|
| | 1998 | 1999 | 2000 | 2001 | 2002 | 2002 | 2003 |
| (Amounts in thousands of dollars, except per share data and ratios) | | | | | | | |
| Statements of | | | | | | | |
| Earnings Data: | | | | | | | |
| Sales | \$8,934,227 | \$10,197,373 | \$11,495,493 | \$11,082,112 | \$11,356,633 | \$5,644,132 | \$5,871,560 |
| Cost of goods sold and occupancy costs | 6,448,046 | 7,405,870 | 8,435,928 | 7,940,067 | 8,022,663 | 4,004,638 | 4,052,466 |
| Gross profit | 2,486,181 | 2,791,503 | 3,059,565 | 3,142,045 | 3,333,970 | 1,639,494 | 1,819,094 |
| Store and warehouse operating and selling expenses | 1,664,100 | 1,999,791 | 2,388,108 | 2,322,577 | 2,331,384 | 1,141,861 | 1,322,625 |
| General and administrative expenses | 284,239 | 322,172 | 447,693 | 445,538 | 486,279 | 237,841 | 251,972 |
| Facility closure costs and other operating expenses | 136,279 | 56,949 | 116,771 | 20,561 | 16,599 | 4,050 | 1,447 |
| Operating profit | 401,563 | 412,591 | 106,993 | 353,369 | 499,708 | 255,742 | 243,050 |
| Interest income | 25,309 | 30,043 | 11,345 | 12,980 | 18,509 | 8,370 | 9,855 |
| Interest expense | (21,202) | (24,852) | (32,683) | (43,339) | (46,195) | (22,758) | (23,255) |
| Miscellaneous income (expense), net | (18,985) | (3,514) | 4,632 | (9,057) | 7,183 | 4,053 | 16,166 |
| Earnings from continuing operations before income taxes | 386,685 | 414,268 | 90,287 | 313,953 | 479,205 | 245,407 | 245,816 |
| Income taxes | 155,531 | 155,875 | 41,972 | 112,296 | 167,722 | 86,476 | 82,252 |
| Earnings from continuing operations | 231,154 | 258,393 | 48,315 | 201,657 | 311,483 | 158,931 | 163,564 |
| Discontinued operations | 2,042 | (755) | 1,017 | (614) | (775) | 722 | 1,153 |
| Cumulative effect of accounting change, net | — | — | — | — | — | — | (25,892) |
| Net earnings | \$ 233,196 | \$ 257,638 | \$ 49,332 | \$ 201,043 | \$ 310,708 | \$ 159,653 | \$ 138,825 |
| Earnings per share from continuing operations: | | | | | | | |
| Basic | \$ 0.63 | \$ 0.72 | \$ 0.16 | \$ 0.68 | \$ 1.02 | \$ 0.52 | \$ 0.53 |
| Diluted | 0.60 | 0.69 | 0.16 | 0.66 | 0.98 | 0.50 | 0.52 |
| Other Data: | | | | | | | |
| Ratio of earnings to fixed charges(1) | 4.9x | 4.1x | 1.5x | 2.7x | 3.6x | 3.7x | 3.6x |

| | Fiscal Year | | | | | First Half of Fiscal Year |
|--|-------------|------------|------------|------------|-------------|---------------------------|
| | 1998 | 1999 | 2000 | 2001 | 2002 | 2002 |
| (Amounts in thousands of dollars) | | | | | | |
| Balance Sheet Data (at period end): | | | | | | |
| Working Capital | \$1,293,370 | \$ 687,007 | \$ 790,752 | \$ 721,867 | \$1,217,706 | \$ 740,281 |
| Total assets | 4,025,283 | 4,276,183 | 4,196,334 | 4,331,643 | 4,765,812 | 5,492,785 |
| Long-term debt, excluding current maturities | 470,711 | 321,099 | 598,499 | 317,552 | 411,970 | 435,958 |
| Stockholders' equity | 2,028,879 | 1,907,720 | 1,601,251 | 1,848,438 | 2,297,112 | 2,524,246 |

| | Fiscal Year | | | | | First Half of Fiscal Year | |
|---------------------------------------|-------------|-------------|-------------|-------------|-------------|---------------------------|-------------|
| | 1998 | 1999 | 2000 | 2001 | 2002 | 2002 | 2003 |
| (Amounts in thousands of dollars) | | | | | | | |
| Segment Data: | | | | | | | |
| <i>North American Retail Division</i> | | | | | | | |
| Sales | \$5,150,379 | \$5,893,384 | \$6,487,522 | \$5,842,648 | \$5,804,449 | \$2,915,032 | \$2,807,844 |
| Gross Profit | 1,228,820 | 1,336,903 | 1,422,460 | 1,363,540 | 1,453,260 | 725,052 | 731,734 |
| Segment operating profit | 503,801 | 380,403 | 216,975 | 308,300 | 419,738 | 217,620 | 164,573 |
| <i>Business Services Group</i> | | | | | | | |
| Sales | \$2,803,805 | \$3,057,188 | \$3,618,768 | \$3,763,006 | \$3,913,902 | \$1,946,234 | \$1,991,868 |
| Gross Profit | 855,542 | 949,191 | 1,092,141 | 1,189,053 | 1,229,182 | 603,036 | 649,045 |
| Segment operating profit | 178,586 | 218,512 | 177,286 | 291,208 | 364,624 | 174,477 | 188,714 |
| <i>International Division</i> | | | | | | | |
| Sales | \$ 983,962 | \$1,250,685 | \$1,393,154 | \$1,480,103 | \$1,641,411 | \$ 784,332 | \$1,073,411 |
| Gross Profit | 403,316 | 507,074 | 546,685 | 591,700 | 653,302 | 312,258 | 439,103 |
| Segment operating profit | 140,086 | 152,506 | 167,382 | 212,179 | 212,127 | 105,803 | 143,345 |

(1) We compute these ratios by dividing our earnings by our fixed charges. For this ratio, earnings include income before income taxes and fixed charges. Fixed charges include interest expense, whether expensed or capitalized.

BUSINESS

Office Depot, Inc., together with its subsidiaries, is a global supplier of office products and services. We sell to consumers and businesses of all sizes through our three business segments: North American Retail Division, Business Services Group, and International Division.

Office Products Industry

Our competitors primarily sell three broad categories of merchandise: general office supplies and services, technology and related products, and office furniture. Office products distributors include contract stationers (selling at significant discounts from list prices to their contract customers), mail order companies (selling through catalogs), Internet-based companies, and retailers (including office superstores such as the ones we operate).

Although the office products business has changed in recent years, a significant portion of the market is still served by small dealers. These dealers purchase a significant portion of their merchandise from national or regional office supply distributors who, in turn, purchase merchandise from manufacturers. Dealers often employ a commissioned sales force that use the distributor's catalog, showing products at retail list prices, for selection and price negotiation with the customer. We believe that these dealers generally sell their products at prices higher than those we offer to our customers.

Since the mid-1980s, high-volume office supply superstores have emerged throughout the United States. These stores offer a wide selection of products, a high level of customer service and low prices. High-volume office products retailers typically offer substantial price savings to individuals and small-to medium-sized businesses, which traditionally have had limited opportunities to buy at significant discounts from retail list prices. During the late 1990s, other retailers, including mass merchandisers and warehouse clubs, began offering a wide variety of similar products at low prices and have become increasingly competitive with office supply superstores. Direct mail and Internet-based companies have also established a growing presence in the office products industry.

Larger customers have been, and continue to be, served primarily by full service contract stationers, which offer contract bids at discounts equivalent to or greater than those offered by our retail stores and catalogs. These stationers, including our own contract stationer business, traditionally serve their customers through a commissioned sales force, purchase in large quantities primarily from manufacturers, and offer competitive pricing and customized services to their customers.

Merchandising and Product Life Cycle

Our merchandising strategy is to offer a broad selection of office products, under both our Office Depot® and Viking Office Products® brands, and to provide our customers with business services and customized business solutions that differentiate us from our competition and increase customer loyalty. Our selection of office products includes general office supplies, computers, software, computer supplies, business machines and related supplies, and office furniture. Our domestic office supply superstores and customer service centers now stock approximately 8,200 and 9,300 stock keeping units, or SKUs, respectively, including variations in color and size. Our customer service centers provide warehouse and delivery functions for our catalog, contract and Internet customers, and support retail store inventory replenishment as needed.

We buy substantially all of our merchandise directly from manufacturers and other primary suppliers. We also obtain certain merchandise from offshore locations, including our private label brands that are exclusive to Office Depot and Viking. In most cases, our suppliers deliver the merchandise directly to our customer service centers or our cross-dock and warehouse facilities, which are centralized distribution centers. Once received at our cross-docks, most merchandise is then delivered to our retail stores. Cross-docks use a customized system to manage the inbound flow of merchandise with the goal of minimizing our landed cost. This system enables us to maintain optimal in-stock positions by permitting a shorter lead time for reordering, while still meeting the minimum ordering requirements of our vendors. The use of cross-docks also reduces our freight costs by centralizing the receiving function.

Office Depot's centralized merchandising department is responsible for selecting and purchasing merchandise as well as managing the full product life cycle. For merchandise offered to our retail store, direct mail and Internet customers, operating management determines pricing based upon merchant recommendations. Our contract sales force in our Business Services Group determines the price of products sold to our contract customers. Replenishment personnel

monitor inventory levels and initiate product reorders with the assistance of our customized replenishment system. This system allows merchants to devote more time to selecting products, developing new product lines, analyzing competitive developments and negotiating with vendors to obtain more favorable prices and product availability. We transmit purchase orders electronically to a significant number of our vendors, and we electronically receive advance shipment notices and invoices back from them. This method of electronic ordering expedites orders and promotes accuracy and efficiency.

Sales and Marketing

We are able to maintain our competitive pricing policy primarily as a result of the significant cost efficiencies we achieve through our operating format and purchasing power. Our marketing programs are designed to attract new customers and to persuade existing customers to make additional purchases. We advertise in the major newspapers in most of our local markets. These advertisements are supplemented with local and national radio and network and cable television advertising campaigns and direct marketing efforts. Additionally, in 2002 we entered into a naming rights agreement for a sports and entertainment complex in south Florida. This agreement will provide us with marketing, signage rights, and other promotional programs over the next 10 years.

We continuously acquire new customers by selectively mailing specially designed catalogs to prospective customers. Sometimes we obtain the names of prospective customers in new and existing markets through the use of selected mailing lists from outside marketing information services and other sources. We use a proprietary mailing list system for our Viking Office Products® brand catalogs and other promotional mailings. We plan to use this same technology to increase the effectiveness of our Office Depot® brand catalogs in the future.

We have a low price guarantee policy for our Office Depot® brand products sold in stores and through catalogs and over the Internet. Under this policy, we will match any competitor's comparable lower price. This program assures customers that they can always receive low prices from us even during periodic sales promotions by our competitors. Monthly competitive pricing analyses are performed to monitor each market, and prices are adjusted as necessary to adhere to this pricing philosophy and ensure competitive positioning.

Our customers can place orders over the Internet, by telephone or by fax using toll-free telephone numbers that route the calls to our call centers. In North America, our call centers are located in Florida, Georgia, Texas, Ohio, Connecticut, Kansas, New Jersey, Arizona and California. Orders are electronically transmitted from our call centers to the store or customer service center closest to our customer for pick-up or delivery at a nominal delivery fee (free with a minimum order size). For our wholly owned operations outside of North America, orders are processed and fulfilled by call centers and customer service centers located in each of the respective countries. Orders are packaged, invoiced and shipped for next-day delivery or same-day delivery in the case of Viking orders in selected markets.

Through our Business Services Group, we provide our contract customers with specialized services designed to aid them in achieving efficiencies and eliminating waste in their overall office products and office furniture costs. These services include electronic ordering, stockless office procurement, desktop delivery, business forms management services and comprehensive product usage reports. Desktop delivery entails delivering the merchandise to individual departments within our customers' facilities, rather than delivering the packages to one central receiving point. We also develop customized Intranet sites in tandem with our customers, allowing them to set rules and limitations on their employees' electronic ordering abilities. Customer orders from these Intranet sites are transmitted to us via the Internet.

In addition to the normal payment options available to all of our customers, we offer our contract and certain qualified commercial customers the option of purchasing on credit through open accounts. We also offer revolving credit terms to certain customers through the use of private label credit cards. These credit cards are issued without charge to credit-qualified customers. Sales transactions using the private label credit cards are transmitted electronically to financial services companies, which credit our bank account with the net proceeds within two days. We offer our contract customers a store purchasing card that allows them to purchase office supplies at one of our retail stores, while still taking advantage of their contract pricing. No single customer in any of our segments accounts for more than 1% percent of our total sales. All of our credit card operations are managed by third parties with whom we contract to perform this service.

Our Sales Channels

Retail Stores

Most of our retail stores conform to a model designed to achieve cost efficiency by minimizing rent and eliminating the need for a central warehouse. Each store displays virtually all its inventory on the sales floor using low-profile fixtures, pallets, bins and steel shelving, permitting the bulk stacking of inventory and quick and efficient restocking. Shelving is positioned to form aisles large enough to comfortably accommodate customer traffic and merchandise movement. In recent years, we further enhanced the shopping experience with the installation of new lighting, signage, and broadband Internet capabilities across our entire North American Retail chain. As of December 28, 2002, the average size of our North American retail stores was approximately 27,000 square feet.

In 2003, we plan to add approximately 35 to 40 new retail stores in North America of various sizes and formats to enable us to cost effectively serve more customer segments and underserved markets. By offering these retail formats with tailored products assortments, we can better serve a diverse customer base and create customer loyalty. In mid-June, we opened our first store utilizing the "Millennium" design. This design has merchandise placements that correspond to the way customers shop. If the Millennium design continues to yield positive results, we will remodel 25 to 30 stores to this new format during the second half of 2003 and an additional 100 to 150 in 2004.

Our stores sell primarily to small offices, home offices and individual consumers. We carry a wide selection of merchandise, including brand name and private label office supplies, business machines and computers, computer software, office furniture and other business-related products. Most stores also contain a multipurpose copy and print center offering printing, reproduction, mailing, shipping, and other services. Through our business relationship with United Parcel Services, Inc., or UPS, we offer shipping services in our North American Retail stores. This enables us to offer our customers a full selection of packaging and shipping supplies, as well as the complete portfolio of U.S. domestic and international UPS shipping services at regular UPS customer counter rates.

Internationally, we have chosen to grow retail stores through the selective opening of company-owned retail stores and through joint venture and licensing agreements. At the end of 2002, our International Division served customers through a total of 171 office supply retail stores, of which 50 were company-owned. In 2003, we plan to expand our International Division's retail presence by opening five to ten new retail stores in France and Japan, and six new stores in Spain.

Dedicated Sales Force

Our contract business employs a dedicated sales force that services the office supply needs of medium and large businesses. Depending on the size and type of customer, our sales force tailors its service offerings to optimally serve the customer's needs at the lowest possible cost. Sales representatives increase contract revenues by building relationships with customers and providing information, business tools and problem-solving services to them.

Our contract business is part of our Business Services Group in the United States and Canada and part of our International Division in all other countries. On June 2, 2003, we acquired Guilbert, a leading contract stationer in Europe, from the Pinault-Printemps-Redoute Group. Guilbert, with 2002 contract sales of €1.4 billion, sells to nearly 300,000 small, medium and large companies in France, the UK, Ireland, Germany, Italy, the Netherlands, Spain, Belgium and Portugal through a direct sales force and through e-commerce and other Internet solutions. Our acquisition of Guilbert is expected to accelerate our growth in the large-sized business customer channel in Europe. The acquisition of Guilbert also added management depth, market experience, purchasing power and scale in the contract and catalog business segment to our European catalog, Internet and retail stores operations.

Catalog Production and Circulation

We use our catalogs to market directly to both existing and prospective customers throughout the world. Separate catalog assortments promote our dual brand (Office Depot® and Viking Office Products®) mail order strategy. We currently circulate both Office Depot® and Viking Office Products® brand catalogs through our Business Services Group domestically and our International Division outside the United States. Each catalog is printed in full color with pictures and narrative descriptions that emphasize key product benefits and features. We have developed a distinctive style for our catalogs, most of which are produced in-house by our designers, writers and production artists.

Our Viking Office Products® brand catalog mailings include monthly sale catalogs, which are mailed to all active Viking customers and present our most popular items. A complete buyers guide, containing all of our products at the regular discount prices, is delivered to our Office Depot® and Viking Office Products® brand catalog customers every six months. This buyers guide, which is mailed to all of our active customers, varies in size between countries. Prospecting catalogs with special offers designed to attract new customers are mailed frequently. In addition, Office Depot® and Viking Office Products® specialty catalogs are delivered each month to selected customers.

During 2002, we mailed approximately 297 million copies of Office Depot® and Viking® brand catalogs to existing and prospective customers. During 2001 and 2000, we mailed approximately 307 million and 305 million copies, respectively.

Internet Sales

We offer products to our customers worldwide through several web sites. In North America, we operate eleven web sites, including www.officedepot.com, which has won a number of awards from the information technology industry and various customer groups. We also operate 33 international web sites in multiple languages for both consumer and business customers. Our web sites have sophisticated work-flow components that help our customers electronically manage their ordering process for office supplies, with thousands of customer orders processed each day. Internet-enabled applications allow our suppliers to directly interact with our systems, improving order flow and supply chain management. We use our corporate Intranet to improve employee productivity and responsiveness and to reduce our administrative costs.

Information Systems

Our information systems include advanced software packages that have been customized for our specific business operations. By maximizing our application of these technologies, we have improved our ability to manage our inventories, order processing, replenishment and marketing efforts.

Inventory data is updated instantaneously in our systems when the merchandise is scanned for receiving or transfer, and sales and certain inventory data is updated in our systems each night by downloading information from our point-of-sale and our telemarketing order entry systems. Our point-of-sale systems permit the entry of sales data through the use of bar code laser scanning. The systems also have a price "look-up" capability that permits immediate price checking and the efficient movement of customers through the checkout process. Data from all of our locations and order sources is transmitted to our North American and European headquarters at the end of each day, permitting a perpetual daily inventory and the calculation of average unit cost by SKU for each of our stores and customer service centers. Daily compilation of sales and gross margin data allows us to analyze profitability and inventory by item and product line, as well as monitor the success of our sales promotions. For all SKUs, we have immediate access to on-hand daily unit inventory, units on order, current and past rates of sale and other information pertinent to the management of our inventory.

We have invested in a data warehouse system that allows us to perform trend and market basket analysis, manage our customer relationships, and produce more effective advertising campaigns. We strive for superior customer satisfaction, and our information systems initiatives are designed with that goal in mind. Our data warehouse solution is designed to use sales transaction and customer interaction information to market on a more personal basis with each of our customers. In recent years, we have used technology to streamline our warehouse and delivery operations, resulting in improved operating performance and lower costs.

During 2002, we began various initiatives to update or streamline our information technology and related processes, including implementing an advanced enterprise resource planning system across our core financial and human resource applications and moving our domestic warehouse operations to a common systems platform. The implementation of these projects will continue throughout fiscal 2003.

All of our computer operations are managed internally in state-of-the-art facilities that capitalize on advanced technologies. Our help desk is staffed 24 hours per day, 7 days per week. We utilize off-site disaster recovery facilities and redundancies. These operations result in industry leading system availability and reliability.

Competition

We operate in a highly competitive environment. Historically, our markets have been served by traditional office products dealers and contract stationers. We believe that we compete favorably against dealers on the basis of price and selection. We compete with other full service contract stationers on the basis of service and value-added technology. We also compete with other office supply superstores, wholesale clubs selling general merchandise, discount stores, mass merchandisers, conventional retail stores, Internet-based companies and direct mail companies. These companies, in varying degrees, compete with us on both price and selection. We believe that our ability to buy in large quantities directly from the manufacturers affords us a competitive advantage over our smaller competitors.

Other office supply superstores are similar to us in terms of store format, pricing strategy and product selection and availability in the markets where we operate, primarily those in the United States and Canada. We anticipate that in the future we will face increased competition from these chains as each of us expands our operations both in North America and abroad. We differentiate ourselves from these other superstore chains by pursuing our mission to know our business customers and to supply not only the products, but also the business solutions they need. This focus is summed up in our brand positioning statement "What you need. What you need to know." This statement emphasizes how we provide tailored business services and solutions across our sales channels to optimally serve our diverse customers' needs.

In the contract stationer portions of the industry, our principal competitors are national and regional full service contract stationers, national and regional office furniture dealers, independent office products distributors, discount superstores and, to a lesser extent, direct mail businesses, stationery retail outlets and Internet-based merchandisers. Other office supply superstore chains have developed a presence in the contract stationer and Internet channels of the business. We compete with these businesses in substantially all of our current markets.

Increased competition may have an adverse effect on us; however, we believe that we compete effectively based on price, selection, availability, location and customer service.

Employees

As of June 28, 2003, we had approximately 48,500 employees worldwide, the majority of which were full time. Our labor relations generally are good, and the overwhelming majority of our facilities are not organized by any labor union.

Legal Proceedings

We are involved in litigation arising in the normal course of our business. While from time to time claims are asserted that make demands for large sums of money, including ones asserted in the form of class action suits, we do not believe that any of these matters, either individually or in the aggregate, will materially affect our financial position or the results of our operations.

OUR DEBT

In addition to the original notes, we have an existing credit facility and outstanding senior subordinated notes. Because of the restrictive covenants and financial ratios contained in our credit facility and our senior subordinated notes, we and our subsidiaries are limited in our ability to incur additional indebtedness. Following the termination of our credit facility in April 2005 and either an upgrade of our senior subordinated notes to an investment grade level or maturity of the senior subordinated notes in July 2008, our subsidiaries may incur substantial additional indebtedness.

Our Credit Facility

Our existing credit facility provides us with a maximum of \$600 million, including up to \$150 million for issuance of standby and trade letters of credit. This facility is a 3-year, unsecured revolving credit agreement maturing on April 24, 2005. The agreement provides for the availability of borrowings up to the full amount of the facility in U.S. dollars, euro, British pounds, or yen. Borrowings will bear interest at a benchmark variable rate plus a spread determined at the time of usage. For U.S. dollar borrowings, interest will be based on the then-current London Interbank Offering Rate or U.S. prime rate. For international borrowings, interest will be based on the then-current Eurocurrency rate. We can specify interest periods to be one, two, three, or six months. Based on our current credit ratings, interest on any borrowing would include a spread of 0.925%. As of June 28, 2003, we had (a) outstanding U.S. borrowings of \$20 million, which had an effective interest rate of 4.0%, (b) outstanding Japan borrowings of ¥10.26 billion (\$85.8 million at the June 28, 2003 exchange rate), which had an effective interest rate of 0.9875%, and (c) outstanding letters of credit totaling \$75.1 million.

The credit facility agreement contains covenants relating to various financial ratios that require us to maintain:

- (i) a fixed charge coverage ratio of:
 - (a) 1.5 to 1.0 until December 31, 2004; and
 - (b) 1.7 to 1.0 from January 1, 2005 until the maturity of the agreement; and
- (ii) a leverage ratio of not greater than 0.45 to 1.00.

In addition, the agreement contains other restrictive covenants that limit the ability of Office Depot, Inc. and its subsidiaries to:

- (i) create liens with respect to our property;
- (ii) merge with or into, or convey, transfer, lease, or otherwise dispose of all or substantially all our assets;
- (iii) materially change the nature of our business;
- (iv) make certain investments;
- (v) permit any of our subsidiaries to issue certain debt; or
- (vi) modify, amend, cancel or rescind any agreements with respect to subordinated debt.

We are in compliance with all such covenants.

Our Senior Subordinated Notes

In July 2001, we issued \$250 million of seven year, non-callable, senior subordinated notes due July 15, 2008. The subordinated notes have an interest rate of 10%, payable semi-annually on January 15 and July 15. Our senior subordinated notes contain provisions that, in certain circumstances, place financial restrictions or limitations on us. Such restrictions or limitations include limitations on the ability of Office Depot, Inc. and certain of our subsidiaries to create liens and consolidate, merge or sell all or substantially all our assets. In addition, until the time that the notes are rated investment grade by Moody's Investors Service, Inc. and Standard & Poor's Ratings Group and neither rating agency attaches any "negative outlook" or "negative credit watch" to the rating of the subordinated notes, Office Depot, Inc.

and certain of our subsidiaries are subject to additional restrictive covenants, which limit the ability of Office Depot, Inc. and certain of our subsidiaries to:

- (i) borrow money;
- (ii) pay dividends on, redeem or repurchase our capital stock;
- (iii) make investments;
- (iv) sell assets;
- (v) create restrictions on the payment of dividends or other amounts to us from certain subsidiaries; and
- (vi) enter into transactions with affiliates.

THE EXCHANGE OFFER

Purpose of the Exchange Offer

When we sold the original notes on August 11, 2003, we entered into an exchange and registration rights agreement with the initial purchasers of those original notes. Under the exchange and registration rights agreement, we agreed to file a registration statement regarding the exchange of the original notes for notes which are registered under the Securities Act. We also agreed to use our reasonable best efforts to cause the registration statement to become effective with the SEC and to conduct this exchange offer after the registration statement is declared effective. We will use our reasonable best efforts to keep this registration statement effective until the earlier of (1) this exchange offer is completed or (2) the day on which no original notes are held by broker-dealers. The exchange and registration rights agreement provides that we will be required to pay additional interest to the holders of the original notes if:

- the registration statement is not filed by November 9, 2003;
- the registration statement is not declared effective by February 7, 2004; or
- the exchange offer has not been completed by March 8, 2004.

A copy of the exchange and registration rights agreement is filed as an exhibit to the registration statement of which this prospectus is a part.

Terms of the Exchange Offer

Upon the terms and conditions described in this prospectus and in the accompanying letter of transmittal, which together constitute the exchange offer, we will accept for exchange original notes that are properly tendered on or before the expiration date and not withdrawn as permitted below. As used in this prospectus, the term "expiration date" means 5:00 p.m., New York City time, on _____, 2003. However, if we, in our sole discretion, have extended the period of time for which the exchange offer is open, the term "expiration date" means the latest time and date to which we extend the exchange offer.

As of the date of this prospectus, \$400,000,000 aggregate principal amount of the original notes is outstanding. This prospectus, together with the letter of transmittal, is first being sent on or about _____, 2003 to all holders of original notes known to us. Our obligation to accept original notes for exchange in the exchange offer is subject to the conditions described below under the heading "—Conditions to the Exchange Offer."

We reserve the right to extend the period of time during which the exchange offer is open. We would then delay acceptance for exchange of any original notes by giving oral or written notice of an extension to the holders of original notes as described below. During any extension period, all original notes previously tendered will remain subject to the exchange offer and may be accepted for exchange by us. Any original notes not accepted for exchange will be returned to the tendering holder after the expiration or termination of the exchange offer.

Original notes tendered in the exchange offer must be in denominations of principal amount of \$1,000 and any integral multiple of \$1,000.

We reserve the right to amend or terminate the exchange offer, and not to accept for exchange any original notes not previously accepted for exchange, upon the occurrence of any of the conditions of the exchange offer specified below under the heading "—Conditions to the Exchange Offer." We will give oral or written notice of any extension, amendment, non-acceptance or termination to the holders of the original notes as promptly as practicable. If we materially change the terms of the exchange offer, we will resolicit tenders of the original notes, file a post-effective amendment to the prospectus and provide notice to the noteholders. If the change is made less than five business days before the expiration of the exchange offer, we will extend the offer so that the noteholders have at least five business days to tender or withdraw. We will notify you of any extension by means of a press release or other public announcement no later than 9:00 a.m., New York City time on that date.

Procedures for Tendering

When the holder of original notes tenders, and we accept, notes for exchange, a binding agreement between us and the tendering holder is created, subject to the terms and conditions set forth in this prospectus and the accompanying letter of transmittal. Except as described below, a tendering holder must, on or prior to the expiration date:

- transmit a properly completed and duly executed letter of transmittal, including all other documents required by the letter of transmittal, to SunTrust Bank at the address listed below under the heading “— Exchange Agent;” or
- if original notes are tendered in accordance with the book-entry procedures listed below, the tendering holder must transmit an agent’s message (as defined below) to the exchange agent at the address listed below under the heading “—Exchange Agent.”

In addition, either:

- the exchange agent must receive, prior to the expiration date, a timely confirmation of book-entry transfer of the original notes being tendered into the exchange agent’s account at the Depository Trust Company, the book-entry transfer facility, along with the letter of transmittal or an agent’s message; or
- the holder must comply with the guaranteed delivery procedures described below.

The Depository Trust Company will be referred to as DTC in this prospectus.

The term “agent’s message” means a message, transmitted to DTC and received by the exchange agent and forming a part of a book-entry transfer, that states that DTC has received an express acknowledgment that the tendering holder agrees to be bound by the letter of transmittal and that we may enforce the letter of transmittal against this holder.

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

If you are a beneficial owner whose original notes are registered in the name of a broker, dealer, commercial bank, trust company or other nominee, and wish to tender, you should promptly instruct the registered holder to tender on your behalf. Any registered holder that is a participant in DTC’s book-entry transfer facility system may make book-entry delivery of the original notes by causing DTC to transfer the original notes into the exchange agent’s account.

Signatures on a letter of transmittal or a notice of withdrawal must be guaranteed unless the original notes surrendered for exchange are tendered:

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

If signatures on a letter of transmittal or a notice of withdrawal are required to be guaranteed, the guarantees must be by an “eligible institution.” An “eligible institution” is a financial institution, including most banks, savings and loan associations and brokerage houses, that is a participant in the Securities Transfer Agents Medallion Program, the New York Stock Exchange Medallion Signature Program or the Stock Exchanges Medallion Program.

We will determine in our sole discretion all questions as to the validity, form and eligibility of original notes tendered for exchange. This discretion extends to the determination of all questions concerning the timing of receipts and acceptance of tenders. These determinations will be final and binding.

We reserve the absolute right to reject any particular original note not properly tendered or any which acceptance might, in our judgment or our counsel’s judgment, be unlawful. We also reserve the right to waive any defects or irregularities or conditions of the exchange offer as to any particular original note either before or after the expiration date, including the right to waive the ineligibility of any tendering holder. Our interpretation of the terms and conditions of the exchange offer as to any particular original note either before or after the expiration date, including the letter of transmittal and the instructions to the letter of transmittal, shall be final and binding on all parties. Unless waived, any defects or irregularities in connection with tenders of original notes must be cured within a reasonable period of time.

Neither we, the exchange agent nor any other person will be under any duty to give notification of any defect or irregularity in any tender of original notes. Nor will we, the exchange agent or any other person incur any liability for failing to give notification of any defect or irregularity.

If the letter of transmittal is signed by a person other than the registered holder of original notes, the letter of transmittal must be accompanied by a written instrument of transfer or exchange in satisfactory form duly executed by the registered holder with the signature guaranteed by an eligible institution.

If the letter of transmittal or powers of attorney are signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, these persons should so indicate when signing. Unless waived by us, proper evidence satisfactory to us of their authority to so act must be submitted.

By tendering, each holder will represent to us that, among other things,

- the exchange notes are being acquired in the ordinary course of business of the person receiving the exchange notes, whether or not that person is the holder; and
- neither the holder nor the other person has any arrangement or understanding with any person to participate in the distribution of the exchange notes.

In the case of a holder that is not a broker-dealer, that holder, by tendering, will also represent to us that the holder is not engaged in and does not intend to engage in a distribution of the exchange notes.

If any holder or other person is an “affiliate” of ours, as defined under Rule 405 of the Securities Act, or is engaged in, or intends to engage in, or has an arrangement or understanding with any person to participate in, a distribution of the exchange notes, that holder or other person can not rely on the applicable interpretations of the staff of the SEC and must comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale transaction.

Each broker-dealer that receives exchange notes for its own account in exchange for original notes, where the original notes were acquired by it as a result of market-making activities or other trading activities, must acknowledge that it will deliver a prospectus that meets the requirements of the Securities Act in connection with any resale of the exchange notes. The letter of transmittal states that by so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an “underwriter” within the meaning of the Securities Act. See “Plan of Distribution” for a discussion of the exchange and resale obligations of broker-dealers in connection with the exchange offer.

Acceptance of Original Notes for Exchange; Delivery of Exchange Notes

Upon satisfaction or waiver of all of the conditions to the exchange offer, we will accept, promptly after the expiration date, all original notes properly tendered. We will issue the exchange notes promptly after acceptance of the original notes. For purposes of the exchange offer, we will be deemed to have accepted properly tendered original notes for exchange when, as and if we have given oral or written notice to the exchange agent, with prompt written confirmation of any oral notice to be given promptly thereafter. See “— Conditions to the Exchange Offer” below for a discussion of the conditions that must be satisfied before we accept any original notes for exchange.

For each original note accepted for exchange, the holder will receive an exchange note having a principal amount equal to that of the surrendered original note. The exchange notes will bear interest from the most recent date to which interest has been paid on the original notes. Accordingly, registered holders of exchange notes on the relevant record date for the first interest payment date following the completion of the exchange offer will receive interest accruing from the most recent date to which interest has been paid, or if no interest has been paid on the original notes, from August 11, 2003. Original notes accepted for exchange will cease to accrue interest from and after the date of completion of the exchange offer. Holders of original notes whose original notes are accepted for exchange will not receive any payment for accrued interest on the original notes otherwise payable on any interest payment date the record date for which occurs on or after completion of the exchange offer and will be deemed to have waived their rights to receive the accrued interest on the original notes. Under the exchange and registration rights agreement, we may be required to make additional payments in the form of additional interest to the holders of the original notes under circumstance relating to the timing of the exchange offer.

In all cases, issuance of exchange notes for original notes will be made only after timely receipt by the exchange agent of:

- a timely book-entry confirmation of the original notes, into the exchange agent's account at the DTC;
- a properly completed and duly executed letter of transmittal or an agent's message; and
- all other required documents.

Unaccepted or non-exchanged original notes will be returned without expense to the tendering holder of the original notes. The non-exchanged original notes will be credited to an account maintained with the DTC, as promptly as practicable after the expiration or termination of the exchange offer.

Book-Entry Transfers

The exchange agent will make a request to establish an account for the original notes at DTC for purposes of the exchange offer within two business days after the date of this prospectus. Any financial institution that is a participant in DTC's systems must make book-entry delivery of original notes by causing DTC to transfer those original notes into the exchange agent's account at the DTC in accordance with the DTC's procedure for transfer. This participant should transmit its acceptance to the DTC on or prior to the expiration date or comply with the guaranteed delivery procedures described below. DTC will verify this acceptance, execute a book-entry transfer of the tendered original notes into the exchange agent's account at DTC and then send to the exchange agent confirmation of this book-entry transfer. The confirmation of this book-entry transfer will include an agent's message confirming that DTC has received an express acknowledgment from this participant that this participant has received and agrees to be bound by the letter of transmittal and that we may enforce the letter of transmittal against this participant. Delivery of exchange notes issued in the exchange offer may be effected through book-entry transfer at DTC. However, the letter of transmittal or facsimile of it or an agent's message, with any required signature guarantees and any other required documents, must:

- be transmitted to and received by the exchange agent at the address listed below under the heading "— Exchange Agent" on or prior to the expiration date; or
- comply with the guaranteed delivery procedures described below.

Guaranteed Delivery Procedures

If a registered holder of original notes desires to tender the original notes, and the original notes are not immediately available, or time will not permit the holder's original notes or other required documents to reach the exchange agent before the expiration date, or the procedure for book-entry transfer described above cannot be completed on a timely basis, a tender may nonetheless be made if:

- the tender is made through an eligible institution;
- prior to the expiration date, the exchange agent received from an eligible institution a properly completed and duly executed letter of transmittal, or a facsimile of the letter of transmittal, and notice of guaranteed delivery, substantially in the form provided by us, by facsimile transmission, mail or hand delivery,

(1) stating the name and address of the holder of original notes being tendered and the amount of original notes tendered,

(2) stating that the tender is being made; and

(3) guaranteeing that within three New York Stock Exchange trading days after the expiration date, a book-entry confirmation together with a properly completed and duly executed letter of transmittal or agent's message with any required signature guarantees and any other documents required by the letter of transmittal will be deposited by the eligible institution with the exchange agent; and

- a book-entry confirmation together with a properly completed and duly executed letter of transmittal or agent's message with any required signature guarantees and all other documents required by the letter of transmittal, are received by the exchange agent within three New York Stock Exchange trading days after the expiration date.

Withdrawal Rights

Tenders of original notes may be withdrawn at any time before 5:00 p.m., New York City time, on the expiration date.

For a withdrawal to be effective, the exchange agent must receive a written notice of withdrawal at the address or, in the case of eligible institutions, at the facsimile number, indicated below under the heading “— Exchange Agent” before 5:00 p.m., New York City time, on the expiration date. Any notice of withdrawal must:

- specify the name of the person, referred to as the depositor, having tendered the original notes to be withdrawn;
- identify the original notes to be withdrawn, including the principal amount of the original notes;
- contain a statement that the holder is withdrawing his election to have the original notes exchanged;
- be signed by the holder in the same manner as the original signature on the letter of transmittal by which the original notes were tendered, including any required signature guarantees, or be accompanied by documents of transfer to have the trustee with respect to the original notes register the transfer of the original notes in the name of the person withdrawing the tender; and
- specify the name in which the original notes are registered, if different from that of the depositor.

Any notice of withdrawal must specify the name and number of the account at the DTC to be credited with the withdrawn original notes and otherwise comply with the procedures of such facility. We will determine all questions as to the validity, form and eligibility, including time of receipt, of notices of withdrawal and our determination will be final and binding on all parties. Any original notes so withdrawn will be deemed not to have been validly tendered for exchange. No exchange notes will be issued unless the original notes so withdrawn are validly re-tendered. Any original notes that have been tendered for exchange, but which are not exchanged for any reason, will be returned to the tendering holder without cost to the holder. The original notes will be credited to an account maintained with the DTC for the original notes. The original notes will be credited to the DTC account as soon as practicable after withdrawal, rejection of tender or termination of the exchange offer. Properly withdrawn original notes may be re-tendered by following the procedures described above under the heading “—Procedures for Tendering” above at any time on or before 5:00 p.m., New York City time, on the expiration date.

Conditions to the Exchange Offer

Notwithstanding any other provision of the exchange offer, we will not be required to accept for exchange, or to issue exchange notes in exchange for, any original notes, and may terminate or amend the exchange offer, if at any time before the acceptance of the original notes for exchange or the exchange of the exchange notes for the original notes, any of the following events occurs:

- there is threatened, instituted or pending any action or proceeding before, or any injunction, order or decree issued by, any court or governmental agency or other governmental regulatory or administrative agency or commission:
 - (1) seeking to restrain or prohibit the making or completion of the exchange offer or any other transaction contemplated by the exchange offer, or assessing or seeking any damages as a result of this transaction;
 - (2) resulting in a material delay in our ability to accept for exchange or exchange some or all of the original notes in the exchange offer; or
 - (3) any statute, rule, regulation, order or injunction has been sought, proposed, introduced, enacted, promulgated or deemed applicable to the exchange offer or any of the transactions contemplated by the exchange offer by any governmental authority, domestic or foreign; or
- any action has been taken, proposed or threatened, by any governmental authority, domestic or foreign, that in our sole judgment might directly or indirectly result in any of the consequences referred to in clauses (1), (2) or (3) above or, in our sole judgment, might result in the holders of exchange notes having obligations with respect to resales and transfers of exchange notes which are greater than those described in the interpretation of the SEC referred to above, or would otherwise make it inadvisable to proceed with the exchange offer; or

• the following has occurred:

- (1) any general suspension of or general limitation on prices for, or trading in, securities on any national securities exchange or in the over-the-counter market; or
 - (2) any limitation by a governmental authority, which may adversely affect our ability to complete the transactions contemplated by the exchange offer; or
 - (3) a declaration of a banking moratorium or any suspension of payments in respect of banks in the United States or any limitation by any governmental agency or authority which adversely affects the extension of credit; or
 - (4) a commencement of a war, armed hostilities or other similar international calamity directly or indirectly involving the United States, or, in the case of any of the preceding events existing at the time of the commencement of the exchange offer, a material acceleration or worsening of these calamities; or
- any change, or any development involving a prospective change, has occurred or been threatened in our business, financial condition, operations or prospects and those of our subsidiaries taken as a whole that is or may be adverse to us, or we have become aware of facts that have or may have an adverse impact on the value of the original notes or the exchange notes; which in our sole judgment in any case makes it inadvisable to proceed with the exchange offer and/or with such acceptance for exchange or with such exchange.

These conditions to the exchange offer are for our sole benefit and we may assert them regardless of the circumstances giving rise to any of these conditions, or we may waive them in whole or in part at any time and from time to time in our sole discretion. Our failure at any time to exercise any of the foregoing rights will not be deemed a waiver of any right.

In addition, we will not accept for exchange any original notes tendered, and no exchange notes will be issued in exchange for any original notes, if at this time any stop order is threatened or in effect relating to the registration statement of which this prospectus constitutes a part or the qualification of the indenture under the Trust Indenture Act of 1939.

Exchange Agent

We have appointed SunTrust Bank as the exchange agent for the exchange offer. You should direct all executed letters of transmittal to the exchange agent at the address indicated below. You should direct questions and requests for assistance, requests for additional copies of this prospectus or of the letter of transmittal and requests for notices of guaranteed delivery to the exchange agent addressed as follows:

Main Delivery To: SunTrust Bank, Exchange Agent

By Mail:
SunTrust Bank
Mail Code FI-Miami-1020
777 Brickell Avenue – 2nd Floor
Miami, Florida 33131
Attention: Holly Lee Jeske

By Hand or Overnight Courier:
SunTrust Bank
Mail Code FI-Miami-1020
777 Brickell Avenue – 2nd Floor
Miami, Florida 33131
Attention: Holly Lee Jeske

By Facsimile Transmission

(for Eligible Institutions only):

(305) 579-7017

Confirm by Telephone:

(305) 579-7009

If you deliver the letter of transmittal to an address other than any address indicated above or transmit instructions via facsimile other than any facsimile number indicated, then your delivery or transmission will not constitute a valid delivery of the letter of transmittal.

Fees and Expenses

We will not make any payment to brokers, dealers, or others soliciting acceptances of the exchange offer. The estimated cash expenses to be incurred in connection with the exchange offer will be paid by us. We estimate these expenses in the aggregate to be approximately \$150,000.

Transfer Taxes

Holders who tender their original notes for exchange will not be obligated to pay any transfer taxes in connection with exchange, except that holders who instruct us to register exchange notes in the name of, or request that original notes not tendered or not accepted in the exchange offer be returned to, a person other than the registered tendering holder will be responsible for the payment of any applicable transfer taxes. If satisfactory evidence of payment of, or exemption from, such taxes is not submitted with the letter of transmittal, the amount of such transfer taxes will be billed directly to the tendering holder.

Consequences of Failure to Exchange Original Notes

Holders who desire to tender their original notes in exchange for exchange notes should allow sufficient time to ensure timely delivery. Neither the exchange agent nor Office Depot is under any duty to give notification of defects or irregularities with respect to the tenders of notes for exchange.

Original notes that are not tendered or are tendered but not accepted will, following the consummation of the exchange offer, continue to be subject to the provisions in the indenture regarding the transfer and exchange of the original notes and the existing restrictions on transfer set forth in the legend on the original notes and in the prospectus dated August 6, 2003, relating to the original notes. Except in limited circumstances with respect to specific types of holders of original notes, we will have no further obligation to provide for the registration under the Securities Act of such original notes. In general, original notes, unless registered under the Securities Act, may not be offered or sold except pursuant to an exemption from, or in a transaction not subject to, the Securities Act and applicable state securities laws. We do not currently anticipate that we will take any action to register the original notes under the Securities Act or under any state securities laws.

Upon completion of the exchange offer, holders of the original notes will not be entitled to any further registration rights under the exchange and registration rights agreement, except under limited circumstances.

Holders of the exchange notes and any original notes which remain outstanding after consummation of the exchange offer will vote together as a single class for purposes of determining whether holders of the requisite percentage of the class have taken certain actions or exercised certain rights under the indenture.

Consequences of Exchanging Original Notes

Under existing interpretations of the Securities Act by the SEC's staff contained in several no-action letters to third parties, we believe that the exchange notes may be offered for resale, resold or otherwise transferred by holders after the exchange offer other than by any holder who is one of our "affiliates" (as defined in Rule 405 under the Securities Act). Such notes may be offered for resale, resold or otherwise transferred without compliance with the registration and prospectus delivery provisions of the Securities Act, if:

- a. such exchange notes are acquired in the ordinary course of such holder's business; and
- b. such holder, other than broker-dealers, has no arrangement or understanding with any person to participate in the distribution of the exchange notes.

However, the SEC has not considered the exchange offer in the context of a no-action letter and we cannot guarantee that the staff of the SEC would make a similar determination with respect to the exchange offer as in such other circumstances.

Each holder, other than a broker-dealer, must furnish a written representation, at our request, that:

- a. it is not an affiliate of Office Depot;
- b. it is not engaged in, and does not intend to engage in, a distribution of the exchange notes and has no arrangement or understanding to participate in a distribution of exchange notes; and
- c. it is acquiring the exchange notes in the ordinary course of its business.

Each broker-dealer that receives exchange notes for its own account in exchange for original notes must acknowledge that such original notes were acquired by such broker-dealer as a result of market-making or other trading activities and that it will deliver a prospectus in connection with any resale of such exchange notes. See "Plan of Distribution" for a discussion of the exchange and resale obligations of broker-dealers in connection with the exchange offer.

In addition, to comply with state securities laws of certain jurisdictions, the exchange notes may not be offered or sold in any state unless they have been registered or qualified for sale in such state or an exemption from registration or qualification is available and complied with by the holders selling the notes. We have agreed in the exchange and registration rights agreement that, prior to any public offering of transfer restricted securities, we will register or qualify the transfer restricted securities for offer or sale under the securities laws of any jurisdiction requested by a holder. Unless a holder requests, we currently do not intend to register or qualify the sale of the exchange notes in any state where an exemption from registration or qualification is required and not available. "Transfer restricted securities" means each note until:

- a. the date on which such note has been exchanged by a person other than a broker-dealer for a note in the exchange offer;
- b. following the exchange by a broker-dealer in the exchange offer of an exchange note, the date on which the exchange note is sold to a purchaser who receives from such broker-dealer on or prior to the date of such sale a copy of this prospectus;
- c. the date on which such note has been effectively registered under the Securities Act and disposed of in accordance with a shelf registration statement that we file in accordance with the exchange and registration rights agreement; or
- d. the date on which such note is distributed to the public in a transaction under Rule 144 of the Securities Act.

DESCRIPTION OF NOTES

The terms of the exchange notes to be issued in the exchange offer are identical in all material respects to the terms of the original notes, except for the transfer restrictions relating to the original notes. Any original notes that remain outstanding after the exchange offer, together with the exchange notes, will be treated as a single class of securities under the indenture for voting purposes. When we refer to the term “note” or “notes”, we are referring to both the original notes and the exchange notes. When we refer to “holders” of the notes, we are referring to those persons who are the registered holders of notes on the books of the registrar appointed under the indenture.

The following discussion summarizes selected provisions of the indenture under which the notes will be issued. Because this is only a summary, it is not complete and does not describe every aspect of the notes and the indenture. A copy of the form of the indenture is available from us upon request. You should read the indenture for provisions that may be important to you but which are not included in this summary.

General Terms of the Notes

The notes will be issued under an indenture, between us and SunTrust Bank, as trustee, as supplemented from time to time. The notes will mature on August 15, 2013. Interest on the notes will accrue at the rate set forth on the cover of this prospectus. Interest on the notes will be payable semiannually on February 15 and August 15, beginning February 15, 2004, to the persons in whose names the notes were registered at the close of business on the next preceding February 1 and August 1, respectively. Interest on the notes will be computed on the basis of a 360-day year comprised of twelve 30-day months.

The notes will be our senior unsecured obligations and will rank on a parity with all our other senior unsecured and unsubordinated indebtedness. The notes will be effectively subordinated to the indebtedness and claims of the creditors of our subsidiaries.

The indenture does not limit the amount of notes, debentures or other evidences of indebtedness that we may issue thereunder and provides that notes, debentures or other evidences of indebtedness may be issued from time to time in one or more series. We may from time to time, without giving notice to or seeking the consent of the holders of the notes, issue notes having the same ranking and the same interest rate, maturity and other terms as the notes issued in this offering. Any additional notes having such similar terms, together with the applicable notes, will constitute a single series of notes under the indenture.

Principal and interest will be payable, and the notes will be transferable or exchangeable, at the office or offices or agency maintained by us for this purpose.

Any payment otherwise required to be made in respect of notes on a date that is not a business day for the notes may be made on the next succeeding business day with the same force and effect as if made on that date. No additional interest shall accrue as a result of a delayed payment. A business day is defined in the indenture as a day other than a Saturday, Sunday or other day on which banking institutions in New York City are authorized or required by law, regulation or executive order to close.

The notes will be issued only in fully registered form without coupons in denominations of \$1,000 or any whole multiple of \$1,000. No service charge will be made for any transfer or exchange of the notes, but we may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with a transfer or exchange. The notes will be represented by one or more global notes registered in the name of a nominee of The Depository Trust Company (“DTC”). Except as described under “— Book-Entry; Delivery and Form” below, the notes will not be issuable in certificated form.

We will initially appoint the trustee at its corporate trust office as a paying agent, transfer agent and registrar for the notes. We will cause each transfer agent to act as a co-registrar and will cause to be kept at the office of the registrar a register in which, subject to such reasonable regulations as we may prescribe, we will provide for the registration of the notes and registration of transfers of the notes. We may vary or terminate the appointment of any paying agent or transfer agent, or appoint additional or other such agents or approve any change in the office through which any such agent acts.

We will provide you with notice of any resignation, termination or appointment of the trustee or any paying agent or transfer agent, and of any change in the office through which any such agent will act.

Optional Redemption

The notes may be redeemed, in whole or in part, at our option at any time or from time to time.

The redemption price for the notes to be redeemed on any redemption date will be equal to the greater of the following amounts:

- 100% of the principal amount of the notes being redeemed on the redemption date; or
- the sum of the present values of the remaining scheduled payments of principal of and interest on the notes being redeemed on that redemption date (not including any portion of any payments of interest accrued to the redemption date) discounted to the redemption date on a semiannual basis at the Treasury Rate (as defined below), plus 30 basis points,

plus, in each case, accrued and unpaid interest on the notes to the redemption date. Notwithstanding the foregoing, installments of interest on notes that are due and payable on interest payment dates falling on or prior to a redemption date will be payable on the interest payment date to the registered holders as of the close of business on the relevant record date according to the notes and the indenture. The redemption price will be calculated on the basis of a 360-day year consisting of twelve 30-day months.

We will mail notice of any redemption at least 30 days but not more than 60 days before the redemption date to each registered holder of the notes to be redeemed. Once notice of redemption is mailed, the notes called for redemption will become due and payable on the redemption date and at the applicable redemption price, plus accrued and unpaid interest to the redemption date.

“Comparable Treasury Issue” means the United States Treasury security selected by the Reference Treasury Dealer as having a maturity comparable to the remaining term of the notes.

“Comparable Treasury Price” means, with respect to any redemption date, (A) the average of the Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest such Reference Treasury Dealer Quotations, or (B) if the trustee obtains fewer than three such Reference Treasury Dealer Quotations, the average of all such Quotations, or © if only one Reference Treasury Dealer Quotation is received, such Quotation.

“Reference Treasury Dealer” means (A) Citigroup Global Markets Inc. and Goldman, Sachs & Co. (or their respective affiliates which are Primary Treasury Dealers), and their respective successors; provided, however, that if any of the foregoing shall cease to be a primary U.S. Government securities dealer in New York City (a “Primary Treasury Dealer”), we will substitute therefore another Primary Treasury Dealer; and (B) any other Primary Treasury Dealer(s) selected by us.

“Reference Treasury Dealer Quotation” means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the trustee, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the trustee by such Reference Treasury Dealer at 5:00 p.m. (New York City time) on the third business day preceding such redemption date.

“Treasury Rate” means, with respect to any redemption date, the rate per annum equal to the semiannual equivalent yield to maturity of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date.

On and after the redemption date, interest will cease to accrue on the notes or any portion of the notes called for redemption (unless we default in the payment of the redemption price and accrued interest). On or before the redemption date, we will deposit with a paying agent (or the trustee) money sufficient to pay the redemption price of and accrued interest on the notes to be redeemed on that date. If less than all of the notes are to be redeemed, the notes to be redeemed shall be selected by lot by DTC, in the case of notes represented by a global security, or by the trustee by a method the trustee deems to be fair and appropriate, in the case of notes that are not represented by a global security.

The notes will not be entitled to the benefit of any mandatory redemption or sinking fund.

Book-Entry; Delivery and Form

The notes representing the exchange notes will be issued in fully registered form. Except as described below, the exchange notes initially will be represented by one or more global notes, in definitive, fully registered form without interest coupons. The global notes will be deposited with the trustee as custodian for DTC and registered in the name of Cede & Co. or another nominee as DTC may designate.

DTC has advised us as follows:

- DTC is a limited purpose trust company organized under the laws of the State of New York, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the Uniform Commercial Code and a “clearing agency” registered pursuant to the provision of Section 17A of the Exchange Act.
- DTC was created to hold securities for its participants and to facilitate the clearance and settlement of securities transactions between participants through electronic book-entry changes in accounts of its participants, thereby eliminating the need for physical movement of certificates. Participants include securities brokers and dealers, banks, trust companies and clearing corporations and other organizations. Indirect access to the DTC system is available to others, including banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a participant, either directly or indirectly.
- Upon the issuance of the global notes, DTC or its custodian will credit, on its internal system, the respective principal amounts of the exchange notes represented by the global notes to the accounts of persons who have accounts with DTC. Ownership of beneficial interests in the global notes will be limited to persons who have accounts with DTC or persons who hold interests through the persons who have accounts with DTC. Persons who have accounts with DTC are referred to as “participants.” Ownership of beneficial interests in the global notes will be shown on, and the transfer of that ownership will be effected only through, records maintained by DTC or its nominee, with respect to interests of participants, and the records of participants, with respect to interests of persons other than participants.

So long as DTC or its nominee is the registered owner or holder of the global notes, DTC or the nominee, as the case may be, will be considered the sole record owner or holder of the exchange notes represented by the global notes for all purposes under the indenture and the exchange notes. No beneficial owners of an interest in the global notes will be able to transfer that interest except according to DTC’s applicable procedures, in addition to those provided for under the indenture. Owners of beneficial interests in the global notes will not:

- be entitled to have the exchange notes represented by the global notes registered in their names,
- receive or be entitled to receive physical delivery of certificated notes in definitive form, and
- be considered to be the owners or holders of any exchange notes under the global notes.

Accordingly, each person owning a beneficial interest in the global notes must rely on the procedures of DTC and, if a person is not a participant, on the procedures of the participant through which that person owns its interests, to exercise any right of a holder of exchange notes under the global notes. We understand that under existing industry practice, in the event an owner of a beneficial interest in the global notes desires to take any action that DTC, as the holder of the global notes, is entitled to take, DTC would authorize the participants to take that action, and that the participants would authorize beneficial owners owning through the participants to take that action or would otherwise act upon the instructions of beneficial owners owning through them.

Payments of the principal of, premium, if any, and interest on the exchange notes represented by the global notes will be made to DTC or its nominee, as the case may be, as the registered owner of the global notes. Neither we, the trustee, nor any paying agent will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in the global notes or for maintaining, supervising or reviewing any records relating to the beneficial ownership interests.

We expect that DTC or its nominee, upon receipt of any payment of principal of, premium, if any, or interest on the global notes will credit participants’ accounts with payments in amounts proportionate to their respective beneficial ownership interests in the principal amount of the global notes, as shown on the records of DTC or its nominee. We also

expect that payments by participants to owners of beneficial interests in the global notes held through these participants will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers registered in the names of nominees for these customers. These payments will be the responsibility of these participants.

Transfer between participants in DTC will be effected in the ordinary way in accordance with DTC rules. If a holder requires physical delivery of notes in certificated form for any reason, including to sell notes to persons in states which require the delivery of the notes or to pledge the notes, a holder must transfer its interest in the global notes in accordance with the normal procedures of DTC and the procedures set forth in the indenture.

Unless and until they are exchanged in whole or in part for certificated exchange notes in definitive form, the global notes may not be transferred except as a whole by DTC to a nominee of DTC or by nominee of DTC to DTC or another nominee of DTC.

Beneficial owners of exchange notes registered in the name of DTC or its nominee will be entitled to be issued, upon request, exchange notes in definitive certificated form.

DTC has advised us that DTC will take any action permitted to be taken by a holder of notes, including the presentation of notes for exchange as described below, only at the direction of one or more participants to whose account the DTC interests in the global notes are credited. Further, DTC will take any action permitted to be taken by a holder of notes only in respect of that portion of the aggregate principal amount of notes as to which the participant or participants has or have given that direction.

Although DTC has agreed to these procedures in order to facilitate transfers of interests in the global notes among participants of DTC, it is under no obligation to perform these procedures, and may discontinue them at any time. Neither we nor the trustee will have any responsibility for the performance by DTC or its participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

Subject to specified conditions, any person having a beneficial interest in the global notes may, upon request to the trustee, exchange the beneficial interest for exchange notes in the form of certificated notes. Upon any issuance of certificated notes, the trustee is required to register the certificated notes in the name of, and cause the same to be delivered to, the person or persons, or the nominee of these persons. In addition, if DTC is at any time unwilling or unable to continue as a depository for the global notes, and a successor depository is not appointed by us within 90 days, we will issue certificated notes in exchange for the global notes.

Certain Covenants of the Company

We have agreed to some restrictions on our activities for the benefit of holders of the notes. The restrictive covenants summarized below apply, unless the covenants are waived or amended, so long as any of the notes are outstanding.

The indenture (a) does not contain any financial covenants other than those summarized below, (b) does not restrict us from paying dividends or incurring additional Debt and (c) does not protect holders of notes in the event of a highly leveraged transaction or a change in control. Moreover, our subsidiaries are separate and distinct legal entities and have no obligation, contingent or otherwise, to pay any amounts due on the notes or to make funds available to us to do so.

Limitations on Liens

Subject to the exceptions described below, we will not, and will not permit any Subsidiary to, directly or indirectly, create, incur or assume any mortgage, pledge, lien, security interest or other encumbrance (a "lien") upon or with respect to any Principal Property, now owned or hereafter acquired, or on the capital stock of any principal subsidiary, now owned or hereafter acquired, to secure any Debt of Office Depot, any Subsidiary or any other person unless (a) we make effective provision pursuant to which the notes will be secured by that lien equally and ratably with (or prior to) any and all other obligations and indebtedness so secured, for so long as the other obligations and indebtedness are so secured or (b) the aggregate amount of all such indebtedness secured by such a lien then outstanding, together with all Attributable Debt in respect of sale and lease-back transactions existing at such time (with the exception of transactions which are not subject to the limitation described under the caption "— Limitation on Sale and Lease-Back Transactions" below), would not exceed 10% of our Consolidated Net Tangible Assets.

This limitation will not apply to the following, and the following will be excluded in computing such indebtedness for purposes of this restriction:

- liens existing as of the date of the issuance of the notes;
- liens on property or assets of, or any shares of stock or securing indebtedness of, any corporation existing at the time such corporation becomes a Subsidiary;
- liens on property or assets or shares of stock or securing indebtedness existing at the time of acquisition (including acquisition through merger or consolidation) and certain liens to secure indebtedness incurred prior to, at the time of or within 180 days after the later of the completion of the acquisition of, or the completion of the construction of, improvement of, and commencement of operation of, any such property (including any Capital Lease), for the purpose of financing all or any part of the purchase price or construction cost thereof;
- liens to secure certain development, operation, construction, alteration, repair or improvement costs;
- liens incurred pursuant to any industrial revenue bond, or similar conduit financing or obligation issued by a domestic governmental issuer to secure the related Debt, so long as such lien is limited to the related asset;
- liens in favor of, or which secure indebtedness owing to, us or a Subsidiary;
- liens on Accounts Receivable that are the subject of Permitted Receivables Financings and any related property that would ordinarily be subjected to a lien in connection with such Permitted Receivables Financing, such as proceeds and records;
- liens in connection with government contracts, including the assignment of moneys due or to come due thereon;
- liens for taxes, governmental assessments, charges or levies in the nature of taxes not yet due and payable, or liens for taxes, governmental assessments, charges or levies in the nature of taxes being contested in good faith and by appropriate proceedings;
- certain liens in connection with legal proceedings to the extent such proceedings are being contested in good faith;
- landlord's liens under leases to which we or any subsidiary is a party;
- Permitted Encumbrances;
- utility deposits and pledges or deposits in connection with workers' compensation, unemployment insurance and other social security legislation, or to secure the performance of tenders, statutory obligations, surety, customs and appeal bonds, bids, leases, performance and return-of-money bonds and other similar obligations (exclusive of obligations for the payment of borrowed money);
- liens arising from precautionary UCC financing statements or similar filings regarding operating leases;
- certain liens arising in the ordinary course of business and not in connection with the borrowing of money such as mechanics', materialmans', carriers', warehousemans', repairmens' or other similar liens; and
- extensions, substitutions, replacements or renewals of the foregoing if the principal amount of the indebtedness secured thereby is not increased (plus an amount in respect of reasonable fees and related transaction costs) and is not secured by any additional assets.

Limitation on Sale and Lease-Back Transactions

Neither we nor any Subsidiary may enter into any arrangement with any person (other than us) providing for the leasing by us or a subsidiary of any Principal Property (except for temporary leases for a term of not more than three years), which Principal Property has been or is to be sold or transferred more than 180 days after such Principal Property has been owned by us or such Subsidiary and completion of construction and commencement of full operation thereof, by us or a Subsidiary to such person (herein referred to as a "sale and lease-back transaction").

This limitation will not apply to any sale and lease-back transaction if

- the net proceeds to us or the Subsidiary from the sale or transfer equal or exceed the fair value (as determined by our board of directors) of the Principal Property so leased,
- we or the Subsidiary could incur indebtedness secured by a lien on the Principal Property to be leased pursuant to the covenant described above under the caption “— Limitation on Liens” in an amount equal to the Attributable Debt with respect to such sale and lease-back transaction without equally and ratably securing the notes or
- within 180 days after the effective date of any such sale and lease-back transaction, we apply an amount equal to the fair value (as determined by our board of directors) of the Principal Property so leased to (x) the retirement of Funded Debt (including the notes) of Office Depot or (y) the acquisition of additional real property.

Certain Definitions

“Accounts Receivable” means, with respect to any person, all rights of such person to the payment of money arising out of any sale, lease or other disposition of goods or provision of services by such person.

“Attributable Debt,” in respect of sale and lease-back transactions, means as of any particular time, the present value, discounted at the rate specified in the indenture, of the obligation of a lessee for rental payments during the remaining term of any lease (including any period for which such lease has been extended or may, at the option of the lessor, be extended). Sale and lease-back transactions with respect to facilities financed with certain tax-exempt securities are excepted from the definition.

“Capital Lease” means at any date any lease of property which, in accordance with generally accepted accounting principles, would be required to be capitalized on the balance sheet of the lessee.

“Consolidated Net Tangible Assets” means, as of any particular date, the aggregate amount of assets (less applicable reserves and other properly deductible items) after deducting (a) all current liabilities (excluding any amounts that constitute Funded Debt by reason of being extendible or renewable), and (b) all goodwill, trade names, trademarks, patents, unamortized Debt discount and expense and other like intangibles, all as computed in accordance with generally accepted accounting principles and as shown in the latest quarterly consolidated balance sheet of the Company contained in the Company’s then most recent annual report to stockholders or quarterly report filed with the SEC, as the case may be.

“Debt” means (i) all obligations represented by notes, bonds, debentures or similar instrument (including a purchase money obligation arising in connection with the acquisition of any business, properties or assets of any kind other than a trade payable or a current liability arising in the ordinary course of business); (ii) any liability for borrowed money, or under any reimbursement obligation relating to a letter of credit; and (iii) all rental obligations as lessee under leases which shall have been or should be, in accordance with generally accepted accounting principles, recorded as Capital Leases.

“Funded Debt” means mean all indebtedness for the repayment of money borrowed, whether or not evidenced by a bond, debenture, note or similar instrument or agreement, having a final maturity of more than twelve months after the date of its creation or having a final maturity of less than twelve months after the date of its creation but by its terms being renewable or extendible beyond twelve months after such date at the option of the borrower (excluding obligations under any Capital Leases). For the purpose of determining “Funded Debt,” any particular indebtedness will be excluded if, on or prior to the final maturity of that Debt, the necessary funds for the payment, redemption or satisfaction of that indebtedness have been deposited with the proper depositary in trust.

“Permitted Encumbrances” means as of any particular time, (i) such easements, leases, subleases, encroachments, rights of way, minor defects, irregularities or encumbrances on title which are not unusual with respect to property similar in character to any such real property and which do not secure Debt and do not materially impair such real property for the purpose for which it is held or materially interfere with the conduct of our business or the business of any of our subsidiaries and (ii) municipal and zoning ordinances that are not violated by the existing improvements and the present use made by us or any subsidiaries of such real property.

“Permitted Receivables Financing” means a sale, pledge or other transfer of any Accounts Receivables as a method of financing.

“Principal Property” means, as of any date, any building, structure or other facility together with the land upon which it is erected and fixtures comprising a part thereof, used primarily for manufacturing, processing or production (other than any pollution control facility), in each case located in the United States, and owned or leased or to be owned or leased by us or any Subsidiary other than any land, building, structure or other facility or portion thereof which, individually or in the aggregate with such other land, building, structure or other facility or portion thereof which may be so exempted if, in the opinion of our board of directors, it is not of material importance to the total business conducted by us and our subsidiaries, considered as one enterprise.

“Subsidiary” means each corporation, other than a corporation which engages primarily in financing our consolidated operations, of which more than 50% of the outstanding voting stock is owned, directly or indirectly, by us or one or more of our subsidiaries, or by us and one or more of our subsidiaries.

Consolidation, Merger, Sale or Conveyance

We may consolidate with, or sell, convey or lease all or substantially all our assets to, or merge with or into, any other corporation, if

- either we are the continuing corporation, or the successor corporation is a domestic corporation and expressly assumes the due and punctual payment of the principal of and interest on all the notes and the due and punctual performance and observance of all the covenants and conditions of the indenture to be performed or observed by us; and
- immediately after the merger or consolidation, or sale, conveyance or lease, no Event of Default, and no event which, after notice or lapse of time or both, would become an Event of Default, shall have occurred and be continuing.

Events of Default

An Event of Default with respect to the notes is defined as:

- default in the payment of any interest on any of the notes when due and payable, and continuance of such default for a period of 30 days;
- default in the payment of any principal of or premium on any of the notes when due and payable either at maturity, upon any redemption, by declaration or otherwise;
- default by us in the performance, or breach, of any other covenant or warranty contained in the notes or in the indenture and continuance of that default or breach for a period of 90 days after notice by the trustee or by the holders of at least 25% in principal amount of the outstanding notes;
- a default under, or the acceleration of the maturity date of, any bond, debenture, note or other evidence of indebtedness of Office Depot or any Subsidiary (other than the notes), which consists of a payment default at the stated maturity thereof or results in acceleration of such indebtedness, or a default under any indenture or other instrument under which any such evidence of indebtedness has been issued or by which it is governed and the expiration of any applicable grace period specified in that evidence of indebtedness, indenture or other instrument, which consists of a payment default at the stated maturity thereof or results in acceleration of such indebtedness, if the aggregate amount of indebtedness with respect to which such payment default at the stated maturity thereof or acceleration has occurred exceeds \$35 million; and
- certain events of bankruptcy, insolvency or reorganization.

The trustee will notify the holders of notes of any continuing default known to the trustee which has occurred with respect to the notes within 90 days after the occurrence of the default. Notwithstanding the foregoing, except in the case of default in the payment of the principal of or interest on any of the notes, the trustee may withhold notice if the trustee in good faith determines that the withholding of notice is in the interests of the holders of the notes.

If an Event of Default with respect to any of the notes has occurred and is continuing (other than with respect to certain events of bankruptcy, insolvency or reorganization), either the trustee or the holders of not less than 25% in aggregate principal amount of notes then outstanding may declare the principal amount of all notes to be due and payable immediately. An Event of Default relating to a bankruptcy, insolvency or reorganization will cause all of the notes to become immediately due and payable without any declaration or other act by the trustee or the holders. However, upon certain conditions such declaration may be annulled. Any past defaults and the consequences thereof (except a default in the payment of principal of or interest on notes) may be waived by the holders of a majority in principal amount of the notes then outstanding. We may omit to comply with certain covenants in the indenture with respect to the notes upon waiver by the holders of a majority in principal amount of the notes then outstanding.

Subject to the provisions of the indenture relating to the duties of the trustee, in case an Event of Default with respect to the notes has occurred and is continuing, the trustee will not be under any obligation to exercise any of the trusts or powers vested in it by the indenture at the request or direction of any of the holders, unless such holders have offered to the trustee reasonable security or indemnity. The holders of a majority in aggregate principal amount of the notes affected and then outstanding will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the trustee under the indenture or exercising any trust or power conferred on the trustee with respect to the notes; provided that the trustee may refuse to follow any direction which is in conflict with any law or the indenture and subject to certain other limitations.

No holder of any notes will have any right by virtue of or by availing of any provision of the indenture to institute any proceeding at law or in equity or in bankruptcy or otherwise upon or under or with respect to the indenture or for any remedy thereunder, unless the holder has previously given the trustee written notice of an Event of Default with respect to notes and unless also the holders of at least 25% in aggregate principal amount of the outstanding notes have made written request, and offered reasonable indemnity, to the trustee to institute such proceeding as trustee and the trustee shall have failed to institute such proceeding within 60 days after its receipt of such request, 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. However, the right of a holder of any note to receive payment of the principal of and any interest on such note on or after the due dates expressed in such note, or to institute suit for the enforcement of any such payment on or after such dates, shall not be impaired or affected without the consent of such holder.

Satisfaction and Discharge of Indenture

The indenture, except for certain specified surviving obligations, will be discharged and canceled upon the satisfaction of certain conditions, including the payment of all the notes or the deposit with the trustee of cash or appropriate government obligations or a combination of the two sufficient for the payment or redemption in accordance with the indenture and the terms of the notes.

Modification of the Indenture

The indenture contains provisions permitting us and the trustee to execute certain supplemental indentures adding, changing or eliminating any provisions to the indenture or any supplemental indenture with respect to the notes or modifying in any manner the rights of the holders of the notes. However, no supplemental indenture may, among other things, (a) extend the final maturity of any security, or reduce the rate or extend the time of payment of any interest on the security, or reduce the principal amount of any security, premium on any security, or reduce any amount payable upon any redemption of any security, without the consent of the holder of each security so affected, or (b) reduce the percentage of notes that is required to approve a supplemental indenture, without the consent of the holders of all notes then outstanding.

Governing Law

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

Concerning the Trustee

We maintain customary banking relationships with affiliates of SunTrust Bank, the trustee under the indenture, and its affiliates.

PLAN OF DISTRIBUTION

Each broker-dealer that receives exchange notes for its own account in the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of the exchange notes. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of exchange notes received in exchange for original notes where the original notes were acquired as a result of market-making activities or other trading activities. We have agreed that, until the consummation of the exchange offer, we will make this prospectus, as amended and supplemented, available to any broker-dealer for use in connection with any resale. In addition, until _____, 2003, all dealers effecting transactions in the exchange notes may be required to deliver a prospectus.

We will not receive any proceeds from any sale of exchange notes by broker-dealers. Exchange notes received by broker-dealers for their own account in the exchange offer may be sold from time to time in one or more transactions in the over-the-counter market, in negotiated transactions, through the writing of options on the exchange notes or a combination of these methods of resale. These resales may be made at market prices prevailing at the time of resale, at prices related to these prevailing market prices or negotiated prices. Any resale may be made directly to purchasers or to or through brokers or dealers who may receive compensation in the form of commissions or concessions from any broker-dealer or the purchasers of any of the exchange notes. Any broker-dealer that resells exchange notes that were received by it for its own account in the exchange offer and any broker or dealer that participates in a distribution of the exchange notes may be deemed to be an underwriter within the meaning of the Securities Act, and any profit on the resale of exchange notes and any commission or concessions received by those persons may be deemed to be underwriting compensation under the Securities Act. Any broker-dealer that resells notes that were received by it for its own account in exchange offer and any broker-dealer that participates in a distribution of those notes may be deemed to be an "underwriter" within the meaning of the Securities Act and must comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale transaction, including the delivery of a prospectus that contains information with respect to any selling holder required by the Securities Act in connection with any resale of the exchange notes. The letter of transmittal states that, by acknowledging that it will deliver and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act.

Furthermore, any broker-dealer that acquired any of its original notes directly from us:

- may not rely on the applicable interpretation of the staff of the SEC's position contained in Exxon Capital Holdings Corp., SEC no-action letter (April 13, 1988), Morgan, Stanley & Co. Inc., SEC no-action letter (June 5, 1991) and Shearman & Sterling, SEC no-action letter (July 2, 1983); and
- must also be named as a selling noteholder in connection with the registration and prospectus delivery requirements of the Securities Act relating to any resale transaction.

We have agreed to pay all expenses incident to the exchange offer, including the expenses of one counsel for the holders of the notes, other than commissions or concessions of any broker-dealers. We will indemnify the holders of the notes, including any broker-dealers, against various liabilities, including liabilities under the Securities Act. We note, however, that in the opinion of the SEC, indemnification against liabilities under federal securities laws is against public policy and may be unenforceable.

MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES

The following is a summary of certain U.S. federal income tax consequences of (i) the exchange of the original notes for the exchange notes pursuant to the exchange offer by a holder of original notes that acquired its original notes in their original issuance for cash at the initial offering price and (ii) the ownership and disposition of the exchange notes as of the date hereof. The discussion is based upon the U.S. Internal Revenue Code of 1986, as amended, or the Code, Treasury Regulations promulgated under the Code, judicial authorities, published positions of the Internal Revenue Service, or the IRS, and other applicable authorities, all as in effect on the date hereof and all of which are subject to change or differing interpretations (possibly with retroactive effect). The discussion does not address all of the tax consequences that may be relevant to a particular holder or to holders subject to special treatment under U.S. federal income tax laws (including, but not limited to, insurance companies, regulated investment companies, real estate investment trusts, foreign and domestic tax exempt organizations and private foundations, financial institutions, brokers, dealers in securities or currencies, traders that elect to mark-to-market their securities, U.S. holders (as defined below) whose functional currency is not the U.S. dollar, holders who will hold the notes as a hedge against currency risks or as part of a straddle, synthetic security, conversion transaction or other integrated investment comprised of the notes and one or more other investments, "controlled foreign corporations," "passive foreign investment companies" and "foreign personal holding companies"). This discussion is limited to holders who hold their notes as capital assets. No IRS ruling or opinion of counsel has been or will be sought regarding any matter discussed herein. No assurance can be given that the IRS would not assert, or that a court would not sustain, a position contrary to any of the tax aspects set forth below. **Prospective investors should consult their own tax advisors as to the U.S. federal income tax consequences of acquiring, holding and disposing of notes, as well as the effects of state, local and non-U.S. tax laws.**

For purposes of this discussion, a U.S. person means any one of the following:

- a citizen or resident of the United States,
- a corporation, partnership, or other entity created or organized in the United States or under the laws of the United States or of any political subdivision of the United States,
- an estate, the income of which is includible in gross income for U.S. federal income tax purposes regardless of its source, or
- a trust that (i) is subject to the primary supervision of the U.S. courts and one or more U.S. persons have the authority to control all substantial decisions of the trust, or (ii) has properly elected to continue to be treated as a U.S. person under applicable treasury regulations.

If a partnership (including any entity treated as a partnership or other pass through entity for U.S. federal income tax purposes) is a holder of the notes, the U.S. federal income tax treatment of a partner in such a partnership will generally depend on the status of the partnership and the activities of the partnership. Partners and partnerships are particularly urged to consult their own tax advisors as to the particular federal income tax consequences applicable to them.

As used herein, the term "U.S. holder" means a holder that is a U.S. person and the term "non-U.S. holder" means a holder that is not a U.S. person.

U.S. Holders

Exchange Offer. The exchange of the exchange notes for original notes pursuant to the exchange offer will not be treated as a taxable event for U.S. federal income tax purposes. Rather, the exchange notes received by a holder will be treated as a continuation of the original notes in the hands of such holder. Accordingly, such a holder will have the same tax basis and holding period in the exchange notes as it had in the original notes immediately prior to the exchange.

Payments of Interest. Payments of interest on notes generally will be taxable to a U.S. holder as ordinary interest income at the time such payments are accrued or received (in accordance with the U.S. holder's method of accounting for U.S. federal income tax purposes).

Disposition of Exchange Notes. Upon the sale, redemption, or other disposition of an exchange note, a U.S. holder will generally recognize capital gain or loss equal to the difference between the amount realized on the sale, redemption, or other disposition and the holder's adjusted tax basis in the exchange note. For these purposes, the amount realized on

the sale, redemption, or other disposition of an exchange note does not include any amount received that is attributable to accrued but unpaid interest, which will be taxable as ordinary income unless previously taken into account. Capital gain or loss on the sale, redemption, or other disposition of an exchange note will be long-term capital gain or loss if the exchange note was held for more than one year.

Non-U.S. Holders

Exchange Offer. The exchange of the exchange notes for original notes pursuant to the exchange offer will not be treated as a taxable event for U.S. federal income tax purposes. Rather, the exchange notes received by a holder will be treated as a continuation of the original notes in the hands of such holder. Accordingly, such a holder will have the same tax basis and holding period in the exchange notes as it had in the original notes immediately prior to the exchange.

Payments of Interest. Subject to the discussion below concerning information reporting and backup withholding, payments of interest on an exchange note to any non-U.S. holder will generally not be subject to U.S. federal income tax or withholding tax, provided that all of the following are true:

- the non-U.S. holder does not actually or constructively own 10% or more of our total capital or profits interests;
- the non-U.S. holder is not a controlled foreign corporation to which we are a related person for U.S. federal income tax purposes;
- the non-U.S. holder is not a bank with respect to which the receipt of interest on the notes is described in Section 881(c)(3)(A) of the Code;
- the interest is not effectively connected with the non-U.S. holder's conduct of a U.S. trade or business; and
- the non-U.S. holder certifies, on Form W-8BEN (or other applicable form) under penalties of perjury, that it is a non-U.S. holder and provides its name and address and (i) files such form with the paying agent or (ii) in the case of an exchange note held through a foreign partnership or intermediary, the beneficial owner and the foreign partnership or intermediary satisfy certain certification requirements of applicable U.S. treasury regulations.

Interest paid to a non-U.S. holder that does not qualify for the above exemption from withholding tax generally will be subject to withholding of U.S. federal income tax at the rate of 30%, unless the non-U.S. holder of the exchange note provides our paying agent with a properly executed:

(1) IRS Form W-8BEN (or other applicable form) claiming an exemption from (or reduction in) withholding under the benefit of an applicable income tax treaty; or

(2) IRS Form W-8ECI (or other applicable form) stating that the interest paid on the exchange note is not subject to withholding tax because it is effectively connected with the non-U.S. holder's conduct of a trade or business in the United States. If, however, the interest is effectively connected with the conduct of a trade or business in the United States by the non-U.S. holder, the interest will be subject to U.S. federal income tax imposed on net income on the same basis as applies to U.S. persons generally. In addition, for corporate holders and under certain circumstances, the branch profits tax may also apply.

Non-U.S. holders should consult any applicable income tax treaties, which may provide for exemption from (or reduction in) U.S. withholding and for other rules different from those described above.

Disposition of Exchange Notes. Subject to the discussion below concerning information reporting and backup withholding, any gain realized by a non-U.S. holder on the sale, redemption or other disposition of an exchange note generally will not be subject to a U.S. federal income tax, unless (i) such gain is effectively connected with the conduct by such non-U.S. holder of a trade or business within the United States, (ii) the non-U.S. holder is an individual who is present in the United States for 183 days or more in the taxable year of the disposition and certain other conditions are satisfied or (iii) the non-U.S. holder is subject to tax pursuant to the provisions of U.S. tax law applicable to certain U.S. expatriates.

Information Reporting and Backup Withholding

In general, payments of interest and the proceeds of the sale, exchange, redemption, retirement or other disposition of the exchange notes payable by a U.S. paying agent or other U.S. intermediary will be subject to information reporting. In addition, backup withholding at the applicable rate will generally apply to these payments if (i) in the case of a U.S. holder, the holder fails to provide an accurate taxpayer identification number, or fails to certify that such holder is not subject to backup withholding or fails to report all interest and dividends required to be shown on its U.S. federal income tax returns, or (ii) in the case of a non-U.S. holder, the holder fails to provide the certification on IRS Form W-8BEN described above or otherwise does not provide evidence of exempt status. Certain U.S. holders (including, among others, corporations) and non-U.S. holders that comply with certain certification requirements are not subject to backup withholding. Any amount paid as backup withholding will be creditable against the holder's federal income tax liability provided that the required information is timely furnished to the IRS. Holders of notes should consult their tax advisors as to their qualification for exemption from backup withholding and the procedure for obtaining such an exemption.

LEGAL MATTERS

The validity of the notes will be passed upon for us by our special counsel, Skadden, Arps, Slate, Meagher & Flom LLP.

EXPERTS

The consolidated financial statements and the related consolidated financial statement schedule incorporated in this prospectus by reference from the company's Annual Report on Form 10-K for the year ended December 28, 2002 have been audited by Deloitte & Touche LLP, independent auditors, as stated in their reports, which are incorporated herein by reference, and have been so incorporated in reliance upon the reports of such firm given upon their authority as experts in accounting and auditing.

The consolidated financial statements of Guilbert S.A. at December 31, 2002 and for the year then ended are incorporated in this prospectus by reference from Office Depot Inc.'s Current Report on Form 8-K/A, Amendment No. 2, dated July 31, 2003, and have been audited by Deloitte Touche Tohmatsu (France), independent auditors, as stated in their report, which is incorporated herein by reference, and have been so incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing. The address of Deloitte Touche Tohmatsu (France) is 185, Av. Charles de Gaulle, 92524 Neuilly sur Seine, France.

\$400,000,000

Office Depot, Inc.

Offer for All Outstanding 6.250% Senior Notes due 2013

**in Exchange for 6.250% Senior Notes due 2013
Which Have Been Registered Under
the Securities Act of 1933**

Office DEPOT

PROSPECTUS

, 2003

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 20. Indemnification of Directors and Officers

As authorized by Section 145 of the Delaware General Corporation Law, each director and officer of the registrant may be indemnified by the registrant against expenses (including attorney's fees, judgments, fines and amounts paid in settlement) actually or reasonably incurred in connection with the defense or settlement of any threatened, pending or completed legal proceedings in which he is involved by reason of the fact that he is or was a director or officer of the registrant if he acted in good faith and in a manner that he reasonably believed to be in or not opposed to the best interest of the registrant and, with respect to any criminal action or proceeding, if he had no reasonable cause to believe that his conduct was unlawful. If the legal proceeding, however, is by or in the right of the registrant, the director or officer may not be indemnified in respect of any claim, issue or matter as to which he shall have been adjusted to be liable for negligence or misconduct in the performance of his duty to the registrant unless a court determines otherwise. The registrant's certificate of incorporation and by-laws, which are filed as an exhibit to this registration statement, contains provisions authorizing indemnification to the fullest extent permitted by Delaware Law.

The Company has obtained insurance policies under which the Company's directors and officers are insured, within the limits and subject to the limitations of the policies, against certain expenses in connection with the defense of certain actions, suits or proceedings, and certain liabilities which might be imposed as a result of certain actions, suits or proceedings, to which they are parties by reason of being or having been such directors or officers.

Item 21. Exhibits and Financial Statement Schedules.

| Exhibit No. | Description |
|-------------|---|
| 3.1 | Restated Certificate of Incorporation, as amended to date, as incorporated by reference to the respective exhibit to the Proxy Statement for the Company's 1995 Annual Meeting of Stockholders. |
| 3.2 | Bylaws, as incorporated by reference to the Company's Quarterly Report of Form 10-Q, filed with the Commission on November 2, 2001. |
| 4.1** | Indenture, dated as of August 11, 2003, between Office Depot, Inc. and SunTrust Bank, as trustee. |
| 4.2** | Form of 6.250% Senior Note due August 15, 2013. |
| 4.3** | Exchange and Registration Rights Agreement, dated as of August 11, 2003, by and among Office Depot, Inc., Citigroup Global Markets Inc., Goldman, Sachs & Co., Banc One Capital Markets, Inc., BNP PARIBAS Securities Corp., Fleet Securities, Inc., and Wachovia Capital Markets, LLC. |
| 4.4 | Form of Certificate representing shares of Common Stock, as incorporated by reference to the respective exhibit to the Company's Registration Statement No. 33-39473. |
| 4.5 | Rights Agreement dated as of September 4, 1996 between Office Depot, Inc. and ChaseMellon Shareholder Services, L.L.C., as Rights Agent, including the form of Certificate of Designation, Preferences and Rights of Junior Participating Preferred Stock, Series A attached hereto as Exhibit A, the form of Rights Certificate attached thereto as Exhibit B and the Summary of Rights attached thereto as Exhibit C, as incorporated by reference to the Company's Current Report of Form 8-K, filed with the Commission on September 6, 1996. |
| 4.6 | Indenture, dated as of July 2, 2001, between the Company and SunTrust Bank, relating to the 10% Senior Subordinated Notes due 2008, as incorporated by reference to the respective exhibit to the Company's Form S-4 Registration Statement No. 333-67620. |

Exhibit No.

Description

| | |
|-------|---|
| 5.1** | Opinion of Skadden, Arps, Slate, Meagher & Flom LLP as to the validity of the notes to be issued by Office Depot, Inc. in the exchange offer. |
| 10.01 | Office Depot, Inc. Long-Term Equity Incentive Plan, as incorporated by reference to the respective exhibit to the Proxy Statement for the Company's 1997 Annual Meeting of Stockholders. |
| 10.02 | 1997-2001 Office Depot, Inc. Designated Executive Incentive Plan, as incorporated by reference to the respective exhibit to the Company's Annual Report on Form 10-K for the year ended December 27, 1997. |
| 10.03 | Form of Indemnification Agreement, dated as of September 4, 1996, by and between Office Depot, Inc. and each of David I. Fuente, Cynthia R. Cohen, W. Scott Hedrick, James L. Heskett, Michael J. Myers, Peter J. Solomon, William P. Seltzer, and Thomas Kroeger, as incorporated by reference to the respective exhibit to the Company's Annual Report on Form 10-K for the year ended December 28, 1996. |
| 10.04 | Executive Part-time Employment Agreement, dated as of September 30, 1999, by and between Office Depot, Inc. and Irwin Helford, as incorporated by reference to the respective exhibit to the Company's Annual Report of Form 10-K for the year ended December 25, 1999. |
| 10.05 | Executive Severance Agreement, including Release and Non-competition Agreement, dated September 19, 2000 by and between the Company and David I. Fuente (schedules and exhibits omitted), as incorporated by reference to the Company's Quarterly Report on Form 10-Q, filed with the Commission on October 31, 2000. |
| 10.06 | Executive Retirement Agreement dated July 17, 2000 by and between the Company and Barry J. Goldstein (Attachment A omitted), as incorporated by reference to the Company's Quarterly Report on Form 10-Q, filed with the Commission on October 31, 2000. |
| 10.07 | Executive Employment Agreement dated January 30, 2001 by and between the Company and Jerry Colley, as incorporated by reference to the respective exhibit to the Company's Annual Report on Form 10-K for the year ended December 30, 2000. |
| 10.08 | Change of Control Agreement, dated as of January 30, 2001, by and between the Company and Jerry Colley, as incorporated by reference to the respective exhibit to the Company's Annual Report on Form 10-K for the year ended December 30, 2000. |
| 10.09 | Change of Control Agreement, dated as of May 28, 1998, by and between the Company and Charles E. Brown, as incorporated by reference to the respective exhibit to the Company's Annual Report on Form 10-K for the year ended December 30, 2000. |
| 10.10 | Executive Employment Agreement dated July 25, 2000 by and between the Company and Robert J. Keller, as incorporated by reference to the respective exhibit to the Company's Annual Report on Form 10-K for the year ended December 30, 2000. |
| 10.11 | Change of Control Agreement, dated as of July 25, 2000, by and between the Company and Robert J. Keller, as incorporated by reference to the respective exhibit to the Company's Annual Report on Form 10-K for the year ended December 30, 2000. |
| 10.12 | Executive Employment Agreement dated October 8, 2001 by and between the Company and Charles E. Brown, as incorporated by reference to the respective exhibit to the Company's Annual Report of Form 10-K for the year ended December 29, 2001. |
| 10.13 | Executive Employment and Change of Control Agreement, dated as of December 29, 2001 by and between the Company and M. Bruce Nelson, as incorporated by reference to the respective exhibit to the Company's Annual Report of Form 10-K for the year ended December 29, 2001. |
| 10.14 | Consulting Agreement, dated as of March 1, 2002 by and between the Company and Irwin Helford, as incorporated by reference to the respective exhibit to the Company's Annual Report of Form 10-K for the year ended December 29, 2001. |

| Exhibit No. | Description |
|-------------|---|
| 10.15 | Revolving Credit Agreement, dated as of April 24, 2002 by and among the Company and Citibank, N.A., as syndication agent, Fleet National Bank and BNP Paribas, as documentation agents, Salomon Smith Barney, Inc. and First Union Securities, Inc., as joint lead arrangers, Salomon Smith Barney Inc., as sole bookrunner, and Wachovia Bank, National Association, as administrative agent, as incorporated by reference to the Company's Quarterly Report of Form 10-Q, filed with the Commission on May 1, 2002. |
| 12.1** | Statement re: Computation of Ratio of Earnings to Fixed Charges. |
| 21.1 | List of Subsidiaries of Office Depot, Inc. |
| 23.1** | Consent of Deloitte & Touche LLP |
| 23.2** | Consent of Deloitte Touche Tohmatsu |
| 23.3** | Consent of Skadden, Arps, Slate, Meagher & Flom LLP (included in Exhibit 5.1). |
| 25.1** | Statement of Eligibility on Form T-1 under the Trust Indenture Act of 1939, as amended, of SunTrust Bank. |
| 99.1** | Form of Letter of Transmittal. |
| 99.2** | Form of Notice of Guaranteed Delivery. |
| 99.3** | Form of Letter to Clients. |
| 99.4** | Form of Letter to Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees. |
| 99.5** | Guidelines For Certification Of Taxpayer Identification Number On Substitute Form W-9 |

** Filed with this Registration Statement.

Item 22. *Undertakings*

The undersigned registrant hereby undertakes: (1) to file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement: (i) to include any prospectus required by section 10(a)(3) of Securities Act of 1933; (ii) to reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement; and (iii) to include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement; (2) that, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new Registration Statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof; and (3) to remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

The undersigned Registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the Registrant's annual report pursuant to section 13(a) or section 15(d) of the Securities Act of 1934 that is incorporated by reference in the Registration Statement shall be deemed to be a new Registrant 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.

The undersigned Registrant hereby undertakes to deliver or cause to be delivered with the prospectus to each person to whom the prospectus is sent or given, the latest annual report to security holders that is incorporated by reference in the prospectus and furnished pursuant to and meeting the requirements of Rule 14a-3 or Rule 14c-3 under the Securities Exchange Act of 1934; and where interim financial information required to be presented by Article 3 of Regulation S-X are not set forth in the prospectus, to deliver, or cause to be delivered to each person to whom the prospectus is sent or given, the latest quarterly report that is specifically incorporated by reference in the prospectus to provide such financial information.

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

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, Office Depot, Inc. has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in City of Delray Beach, State of Florida, on the 8th day of September, 2003.

OFFICE DEPOT, INC.

By: /s/ DAVID C. FANNIN

Name: David C. Fannin
Title: Executive Vice President, General Counsel & Corporate Secretary

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Bruce Nelson and David C. Fannin, and each of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution for him and in his name, place and stead, in any and all capacities, to sign any and all amendments to this Registration Statement or any registration statement for this offering that is to be effective upon the filing pursuant to rule 462(b) under the Securities Act of 1933, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that each of said attorney-in-fact or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed below by the following persons in the capacities indicated on September 8, 2003.

| Signature | Title |
|----------------------|---|
| /s/ BRUCE NELSON | |
| Bruce Nelson | Chief Executive Officer (Principal Executive Officer) and Chairman of the Board |
| /s/ CHARLES E. BROWN | Executive Vice President, Finance and Chief Financial Officer (Principal Financial Officer) |
| Charles E. Brown | Senior Vice President, Finance and Controller (Principal Accounting Officer) |
| /s/ JAMES A. WALKER | |
| James A. Walker | Director |
| /s/ LEE A. AULT, III | |
| Lee A. Ault, III | Director |
| /s/ NEIL R. AUSTRIAN | |
| Neil R. Austrian | Director |
| Cynthia R. Cohen | |
| /s/ DAVID I. FUENTE | Director |
| David I. Fuente | |

| Signature | Title |
|--|----------|
| <hr/> <i>/s/</i> BRENDA J. GAINES <hr/> | Director |
| Brenda J. Gaines <i>/s/</i> BRUCE S. GORDON <hr/> | Director |
| Bruce S. Gordon <i>/s/</i> W. SCOTT HEDRICK <hr/> | Director |
| W. Scott Hedrick <i>/s/</i> JAMES L. HESKETT <hr/> | Director |
| James L. Heskett <i>/s/</i> MICHAEL J. MYERS <hr/> | Director |
| Michael J. Myers <i>/s/</i> FRANK P. SCRUGGS, JR. <hr/> | Director |
| Frank P. Scruggs, Jr. <i>/s/</i> PETER J. SOLOMON <hr/> | Director |
| Peter J. Solomon | |

INDEX TO EXHIBITS

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| 99.2** | Form of Notice of Guaranteed Delivery. |
| 99.3** | Form of Letter to Clients. |
| 99.4** | Form of Letter to Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees. |
| 99.5** | Guidelines For Certification Of Taxpayer Identification Number On Substitute Form W-9 |

** Filed with this Registration Statement.

OFFICE DEPOT, INC.

AND

SUNTRUST BANK, as Trustee

INDENTURE

Dated as of August 11, 2003

TABLE OF CONTENTS

PAGE

| | | |
|---------------|---|----|
| ARTICLE ONE | DEFINITIONS..... | 1 |
| SECTION 1.1 | Certain Terms Defined..... | 1 |
| ARTICLE TWO | SECURITIES..... | 7 |
| SECTION 2.1 | Forms Generally..... | 7 |
| SECTION 2.2 | Form of Trustee's Certificate of Authentication..... | 8 |
| SECTION 2.3 | Amount Unlimited; Issuable in Series..... | 8 |
| SECTION 2.4 | Authentication and Delivery of Securities..... | 11 |
| SECTION 2.5 | Execution of Securities..... | 12 |
| SECTION 2.6 | Certificate of Authentication..... | 13 |
| SECTION 2.7 | Denomination and Date of Securities; Payments of Interest..... | 13 |
| SECTION 2.8 | Registration, Transfer and Exchange..... | 15 |
| SECTION 2.9 | Mutilated, Defaced, Destroyed, Lost and Stolen Securities..... | 16 |
| SECTION 2.10 | Cancellation of Securities..... | 17 |
| SECTION 2.11 | Temporary Securities..... | 17 |
| SECTION 2.12 | Currency and Manner of Payments in Respect of Securities..... | 17 |
| SECTION 2.13 | Compliance with Certain Laws and Regulations..... | 20 |
| SECTION 2.14 | CUSIP Numbers..... | 20 |
| SECTION 2.15 | Securities in Global Form..... | 21 |
| ARTICLE THREE | COVENANTS OF THE ISSUER..... | 21 |
| SECTION 3.1 | Payment of Principal and Interest..... | 21 |
| SECTION 3.2 | Offices for Payment, etc..... | 21 |
| SECTION 3.3 | Appointment to Fill a Vacancy in Office of Trustee..... | 22 |
| SECTION 3.4 | Paying Agents..... | 22 |
| SECTION 3.5 | Written Statement to Trustee..... | 23 |
| SECTION 3.6 | Limitation on Liens..... | 23 |
| SECTION 3.7 | Limitation on Sale and Lease-Back..... | 25 |
| SECTION 3.8 | Additional Amounts..... | 26 |
| SECTION 3.9 | Calculation of Original Issue Discount..... | 27 |
| ARTICLE FOUR | SECURITYHOLDERS' LISTS AND REPORTS BY THE ISSUER AND THE TRUSTEE..... | 27 |

TABLE OF CONTENTS
(continued)

PAGE

| | | |
|--------------|---|----|
| SECTION 4.1 | Company to Furnish Trustee Information as to Names and Addresses of Securityholders..... | 27 |
| SECTION 4.2 | Preservation and Disclosure of Securityholders' Lists..... | 27 |
| SECTION 4.3 | Reports by the Company..... | 29 |
| SECTION 4.4 | Reports by the Trustee..... | 30 |
| ARTICLE FIVE | REMEDIES OF THE TRUSTEE AND SECURITYHOLDERS ON EVENT OF DEFAULT..... | 30 |
| SECTION 5.1 | Event of Default Defined; Acceleration of Maturity; Waiver of Default..... | 30 |
| SECTION 5.2 | Collection of Indebtedness by Trustee; Trustee May Prove Debt..... | 32 |
| SECTION 5.3 | Application of Proceeds..... | 35 |
| SECTION 5.4 | Suits for Enforcement..... | 35 |
| SECTION 5.5 | Restoration of Rights on Abandonment of Proceedings..... | 36 |
| SECTION 5.6 | Limitations on Suits by Securityholders..... | 36 |
| SECTION 5.7 | Unconditional Right of Securityholders to Institute Certain Suits..... | 36 |
| SECTION 5.8 | Powers and Remedies Cumulative; Delay or Omission Not Waiver of Default..... | 37 |
| SECTION 5.9 | Control by Securityholders..... | 37 |
| SECTION 5.10 | Waiver of Past Defaults..... | 37 |
| SECTION 5.11 | Trustee to Give Notice of Default, But May Withhold in Certain Circumstances..... | 38 |
| SECTION 5.12 | Right of Court to Require Filing of Undertaking to Pay Costs..... | 38 |
| SECTION 5.13 | Actions of a Holder..... | 38 |
| ARTICLE SIX | CONCERNING THE TRUSTEE..... | 39 |
| SECTION 6.1 | Duties and Responsibilities of the Trustee; During Default; Prior to Default..... | 39 |
| SECTION 6.2 | Certain Rights of the Trustee..... | 40 |
| SECTION 6.3 | Trustee Not Responsible for Recitals, Disposition of Securities or Application of Proceeds Thereof..... | 41 |
| SECTION 6.4 | Trustee and Agents May Hold Securities; Collections, etc..... | 42 |
| SECTION 6.5 | Moneys Held by Trustee..... | 42 |

TABLE OF CONTENTS
(continued)

PAGE

| | | |
|---------------|---|----|
| SECTION 6.6 | Compensation and Indemnification of Trustee and Its Prior Claim..... | 42 |
| SECTION 6.7 | Right of Trustee to Rely on Officers' Certificate, etc..... | 43 |
| SECTION 6.8 | Disqualification of Trustee; Conflicting Interests..... | 43 |
| SECTION 6.9 | Persons Eligible for Appointment as Trustee..... | 43 |
| SECTION 6.10 | Resignation and Removal; Appointment of Successor Trustee..... | 43 |
| SECTION 6.11 | Acceptance of Appointment by Successor Trustee..... | 45 |
| SECTION 6.12 | Merger, Conversion, Consolidation or Succession to Business of Trustee..... | 46 |
| SECTION 6.13 | Preferential Collection of Claims Against the Company..... | 46 |
| ARTICLE SEVEN | CONCERNING THE SECURITYHOLDERS..... | 46 |
| SECTION 7.1 | Evidence of Action Taken by Securityholders..... | 46 |
| SECTION 7.2 | Proof of Execution of Instruments..... | 47 |
| SECTION 7.3 | Holders to Be Treated as Owners..... | 47 |
| SECTION 7.4 | Securities Owned by Company Deemed Not Outstanding..... | 47 |
| SECTION 7.5 | Right of Revocation of Action Taken..... | 48 |
| SECTION 7.6 | Record Date for Determination of Holders Entitled to Vote..... | 48 |
| ARTICLE EIGHT | SUPPLEMENTAL INDENTURES..... | 49 |
| SECTION 8.1 | Supplemental Indentures Without Consent of Securityholders..... | 49 |
| SECTION 8.2 | Supplemental Indentures With Consent of Securityholders..... | 50 |
| SECTION 8.3 | Effect of Supplemental Indenture..... | 51 |
| SECTION 8.4 | Documents to Be Given to Trustee..... | 51 |
| SECTION 8.5 | Notation on Securities in Respect of Supplemental Indentures..... | 51 |
| ARTICLE NINE | CONSOLIDATION, MERGER, SALE OR CONVEYANCE..... | 52 |
| SECTION 9.1 | Company May Consolidate, etc., on Certain Terms..... | 52 |
| SECTION 9.2 | Successor Corporation Substituted..... | 52 |
| SECTION 9.3 | Opinion of Counsel to Trustee..... | 53 |
| ARTICLE TEN | SATISFACTION AND DISCHARGE OF INDENTURE; UNCLAIMED MONEYS..... | 53 |
| SECTION 10.1 | Satisfaction and Discharge of Indenture..... | 53 |

TABLE OF CONTENTS
(continued)

| | | PAGE |
|----------------|---|------|
| | | ---- |
| SECTION 10.2 | Application by Trustee of Funds Deposited for Payment of Securities..... | 55 |
| SECTION 10.3 | Repayment of Moneys Held by Paying Agent..... | 55 |
| SECTION 10.4 | Return of Unclaimed Moneys Held by Trustee and Paying Agent..... | 55 |
| SECTION 10.5 | Reinstatement of Company's Obligations..... | 55 |
| ARTICLE ELEVEN | MISCELLANEOUS PROVISIONS..... | 56 |
| SECTION 11.1 | Incorporators, Stockholders, Officers and Directors of Company Exempt from Individual Liability..... | 56 |
| SECTION 11.2 | Provisions of Indenture for the Sole Benefit of Parties and Securityholders..... | 56 |
| SECTION 11.3 | Successors and Assigns of Company Bound by Indenture..... | 56 |
| SECTION 11.4 | Notices and Demands on Company, Trustee and Securityholders..... | 56 |
| SECTION 11.5 | Officers' Certificates and Opinions of Counsel; Statements to Be Contained Therein..... | 57 |
| SECTION 11.6 | Payments Due on Saturdays, Sundays and Holidays..... | 58 |
| SECTION 11.7 | Conflict of Any Provision of Indenture with Trust Indenture Act of 1939..... | 58 |
| SECTION 11.8 | New York Law to Govern..... | 58 |
| SECTION 11.9 | Conflicts..... | 58 |
| SECTION 11.10 | Counterparts..... | 58 |
| SECTION 11.11 | Effect of Headings..... | 59 |
| SECTION 11.12 | Determination of Principal Amount..... | 59 |
| ARTICLE TWELVE | REDEMPTION OF SECURITIES AND SINKING FUNDS..... | 59 |
| SECTION 12.1 | Applicability of Article..... | 59 |
| SECTION 12.2 | Notice of Redemption; Partial Redemptions..... | 59 |
| SECTION 12.3 | Payment of Securities Called for Redemption..... | 60 |
| SECTION 12.4 | Exclusion of Certain Securities from Eligibility for Selection for Redemption..... | 61 |
| SECTION 12.5 | Mandatory and Optional Sinking Funds..... | 61 |
| SECTION 12.6 | Repayment at the Option of the Holders..... | 63 |

THIS INDENTURE, dated as of August 11, 2003, between OFFICE DEPOT, INC., a Delaware corporation (the "Company"), and SUNTRUST BANK., a Georgia banking corporation, as Trustee (the "Trustee"),

W I T N E S S E T H:

WHEREAS, the Company has duly authorized the issue from time to time of its unsecured debentures, notes or other evidences of indebtedness to be issued in one or more Series (the "Securities") up to such principal amount or amounts as may from time to time be authorized in accordance with the terms of this Indenture and to provide, among other things, for the authentication, delivery and administration thereof, the Company has duly authorized the execution and delivery of this Indenture; and

WHEREAS, all things necessary to make this Indenture a valid indenture and agreement according to its terms have been done;

NOW, THEREFORE:

In consideration of the premises and the purchases of the Securities by the holders thereof, the Company and the Trustee mutually covenant and agree for the equal and proportionate benefit of the respective holders from time to time of the Securities as follows:

ARTICLE ONE

DEFINITIONS

SECTION 1.1 CERTAIN TERMS DEFINED. The following terms (except as otherwise expressly provided or unless the context otherwise clearly requires) for all purposes of this Indenture and of any indenture supplemental hereto shall have the respective meanings specified in this Section. All other terms used in this Indenture that are defined in the Trust Indenture Act of 1939 or the definitions of which in the Securities Act of 1933 are referred to in the Trust Indenture Act of 1939, including terms defined therein by reference to the Securities Act of 1933 (except as herein otherwise expressly provided or unless the context otherwise clearly requires), shall have the meanings assigned to such terms in said Trust Indenture Act and in said Securities Act as in force at the date of this Indenture. All accounting terms used herein and not expressly defined shall have the meanings assigned to such terms in accordance with U.S. generally accepted accounting principles, and the term "generally accepted accounting principles" means such U.S. accounting principles as are generally accepted at the time of any computation. The words "herein", "hereof" and "hereunder" and other words of similar import refer to this Indenture as a whole, as supplemented and amended from time to time, and not to any particular Article, Section or other subdivision. The terms defined in this Article have the meanings assigned to them in this Article and include the plural as well as the singular.

"Accounts Receivable" means, with respect to any person, all rights of such person to the payment of money arising out of any sale, lease or other disposition of goods or provision of services by such person.

"Additional Amounts" has the meaning specified in Section 3.8.

"Attributable Debt" has the meaning specified in Section 3.7.

"Board of Directors" means either the Board of Directors of the Company or any committee of such Board duly authorized to act hereunder.

"Business Day" means, except as may otherwise be provided in the form of Securities of any particular Series, with respect to any Place of Payment, any day, other than a Saturday or Sunday, that is not a legal holiday, or a day on which banking institutions are authorized or required by law or regulation to close in New York, New York or that Place of Payment, or, with respect to Securities denominated in a Foreign Currency, the capital city of the country of such Foreign Currency, or, with respect to Securities denominated in the Euro, Brussels, Belgium.

"Capital Lease" means at any date any lease of property which, in accordance with generally accepted accounting principles, would be required to be capitalized on the balance sheet of the lessee.

"Commission" means the Securities and Exchange Commission, as from time to time constituted, created under the Securities Exchange Act of 1934, or if at any time after the execution and delivery of this Indenture such Commission is not existing and performing the duties now assigned to it under the Trust Indenture Act, then the body performing such duties on such date.

"Company" means (except as otherwise provided in Article Six) Office Depot, Inc., a Delaware corporation, and, subject to Article Nine, its successors and assigns.

"Company Notice" means the confirmation of the Company signed by an officer, transmitted by facsimile and confirmed in writing to the Trustee of the terms of the issuance of any Securities issuable in Tranches.

"Consolidated Net Tangible Assets" means, as of any particular date, the aggregate amount of assets (less applicable reserves and other properly deductible items) after deducting (a) all current liabilities (excluding any amounts that constitute Funded Debt by reason of being extendible or renewable), and (b) all goodwill, trade names, trademarks, patents, unamortized Debt discount and expense and other like intangibles, all as computed in accordance with generally accepted accounting principles and as shown in the latest quarterly consolidated balance sheet of the Company contained in the Company's then most recent annual report to stockholders or quarterly report filed with the Commission, as the case may be.

"Conversion Date" has the meaning specified in Section 2.12.

"Conversion Event" means the cessation of use of a Foreign Currency both by the government of the country that issued such Currency and for the settlement of transactions by a central bank or other public institutions of or within the international banking community.

"Corporate Trust Office" means the designated office of the Trustee at which the corporate trust business of the Trustee pertaining to the Securities shall, at any particular time, be principally administered, which office is, at the date as of which this Indenture is dated, located at SunTrust Bank, FL-Miami-1020, Corporate Trust Division, 777 Brickell Avenue, Miami, Florida 33131-2803.

"Currency" means any currency or currencies, including, without limitation, the Euro, issued by the government of one or more countries or by any reorganized confederation or association of such governments.

"Currency Determination Agent" means the New York Clearing House Bank, if any, from time to time selected by the Company for purposes of Section 2.12.

"Debt" means (i) all obligations represented by notes, bonds, debentures or similar instrument (including a purchase money obligation arising in connection with the acquisition of any business, properties or assets of any kind other than a trade payable or a current liability arising in the ordinary course of business); (ii) any liability for borrowed money, or under any reimbursement obligation relating to a letter of credit; and (iii) all rental obligations as lessee under leases which shall have been or should be, in accordance with generally accepted accounting principles, recorded as Capital Leases.

"Dollar" means the coin or currency of the United States of America which as of the time of payment is legal tender for the payment of public and private debts.

"Dollar Equivalent of the Foreign Currency" has the meaning specified in Section 2.12.

"Euro" means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the treaty establishing the European Community.

"Event of Default" means any event or condition specified as such in Section 5.1.

"Exchange Rate Officer's Certificate" means a certificate setting forth (i) the applicable Market Exchange Rate or the applicable quotation and (ii) the Dollar or Foreign Currency amounts payable on the basis of such Market Exchange Rate or quotation in respect of the principal of and interest on the applicable series of Registered Securities, signed by the treasurer or any assistant treasurer of the Company, and delivered to the Trustee.

"Foreign Currency" means any Currency, including, without limitation, the Euro, issued by the government of one or more countries other than the United States of America or by any recognized confederation or association of such governments.

"Funded Debt" means mean all indebtedness for the repayment of money borrowed, whether or not evidenced by a bond, debenture, note or similar instrument or agreement, having a final maturity of more than twelve months after the date of its creation or having a final maturity of less than twelve months after the date of its creation but by its terms being renewable or

extendible beyond twelve months after such date at the option of the borrower (excluding obligations under any Capital Leases). For the purpose of determining "Funded Debt," any particular indebtedness will be excluded if, on or prior to the final maturity of that Debt, the necessary funds for the payment, redemption or satisfaction of that indebtedness have been deposited with the proper depositary in trust.

"Government Obligations" means securities which are (i) direct obligations of the government which issued the currency in which the Securities of a particular Series are denominated or (ii) obligations of a Person controlled or supervised by, or acting as an agency or instrumentality of, the government which issued the currency in which the Securities of such Series are denominated, the payment of which obligations is unconditionally guaranteed by such government, and which, in either case, are full faith and credit obligations of such government, are denominated in the currency in which the Securities of such Series are denominated and which are not callable or redeemable at the option of the issuer thereof.

"Holder", "Holder of Securities", "Securityholder" or other similar terms mean the bearer of an Unregistered Security or a Registered Holder of a Registered Security.

"Indenture" means this instrument as originally executed and delivered or, if amended or supplemented as herein provided, as so amended or supplemented or both, and shall include the forms and terms of particular Series of Securities established as contemplated hereunder.

"interest," when used with respect to non-interest bearing Securities, means interest payable at maturity and, when used with respect to a Security which provides for the payment of Additional Amounts pursuant to Section 3.8 or otherwise, includes such Additional Amounts.

"Lien" has the meaning specified in Section 3.6.

"Market Exchange Rate" has the meaning specified in Section 2.12.

"Non-United States Person" means a Person other than a United States Person.

"Officers' Certificate" means a certificate signed by the chairman of the Board of Directors or the president or any vice president and by the treasurer or the secretary or any assistant secretary of the Company and delivered to the Trustee. Each such certificate shall include the statements provided for in Section 11.5.

"Opinion of Counsel" means an opinion in writing signed by legal counsel who may be an employee of or counsel to the Company and who shall be satisfactory to the Trustee. Each such opinion shall include the statements provided for in Section 11.5, if and to the extent required hereby.

"Original Issue Date" of any Security (or portion thereof) means the earlier of (a) the date of such Security or (b) the date of any Security (or portion thereof) for which such Security was issued (directly or indirectly) on registration of transfer, exchange or substitution.

"Original Issue Discount Security" means any Security which provides for an amount less than the stated principal amount thereof to be due and payable upon declaration of acceleration of the maturity thereof pursuant to Section 5.1.

"Outstanding" when used with reference to Securities, shall, subject to the provisions of Section 7.4, mean, as of any particular time, all Securities authenticated and delivered by the Trustee under this Indenture, except

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

(b) Securities, or portions thereof, for the payment or redemption of which moneys in the necessary amount and in the specified currency shall have been deposited in trust with the Trustee or with any paying agent (other than the Company) or shall have been set aside, segregated and held in trust by the Company for the holders of such Securities (if the Company shall act as its own paying agent), provided that if such Securities, or portions thereof, are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given as herein provided, or provision satisfactory to the Trustee shall have been made for giving such notice; and

(c) Securities in substitution for which other Securities shall have been authenticated and delivered, or which shall have been paid, pursuant to the terms of Section 2.9 (except with respect to any such Security as to which proof satisfactory to the Trustee and the Company is presented that such Security is held by a person in whose hands such Security is a legal, valid and binding obligation of the Company).

"Paying Agent" means any Person (which may include the Company) authorized by the Company to pay the principal of or interest, if any, on any Security on behalf of the Company.

"Permitted Encumbrances" means as of any particular time, (i) such easements, leases, subleases, encroachments, rights of way, minor defects, irregularities or encumbrances on title which are not unusual with respect to property similar in character to any such real property and which do not secure Debt and do not materially impair such real property for the purpose for which it is held or materially interfere with the conduct of our business or the business of any of our subsidiaries and (ii) municipal and zoning ordinances that are not violated by the existing improvements and the present use made by us or any subsidiaries of such real property.

"Permitted Receivables Financing" means a sale, pledge or other transfer of any Accounts Receivables as a method of financing.

"Person" means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

"Place of Payment", when used with respect to the Securities of any Series, means the place or places where the principal of and interest, if any, on the Securities of that Series are payable as specified pursuant to Section 3.2.

"principal" whenever used with reference to the Securities or any Security or any portion thereof, shall be deemed to include "and premium, if any".

"Principal Property" means, as of any date, any building, structure or other facility together with the land upon which it is erected and fixtures comprising a part thereof, used primarily for manufacturing, processing or production (other than any pollution control facility), in each case located in the United States, and owned or leased or to be owned or leased by the Company or any Subsidiary other than any land, building, structure or other facility or portion thereof which, individually or in the aggregate with such other land, building, structure or other facility or portion thereof which may be so exempted if, in the opinion of the Board of Directors, it is not of material importance to the total business conducted by the Company and the Subsidiaries, considered as one enterprise.

"Registered Holder" when used with respect to a Registered Security means the person in whose name such Security is registered in the Security register.

"Registered Security" means any Security registered in the Security register.

"Responsible Officer" when used with respect to the Trustee shall mean any officer within the corporate trust department (or any successor group) of the Trustee including any vice president, assistant vice president, assistant secretary, or any other officer or assistant officer of the Trustee customarily performing functions similar to those performed by the persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred at the Corporate Trust Office because of his or her knowledge of and familiarity with the particular subject.

"Sale and Lease-Back Transaction" has the meaning specified in Section 3.7.

"Security" or "Securities" has the meaning stated in the first recital of this Indenture, or, as the case may be, Securities that have been authenticated and delivered under this Indenture.

"Series" or "Series of Securities" means a series of Securities. Except in Sections 1.1 - "Outstanding," 2.3 and 7.4 and Articles Five, Six and Eleven, the terms "Series" or "Series of Securities" shall also mean a Tranche in the event that the applicable Series may be issued in separate Tranches.

"Subsidiary" means each corporation, other than a corporation which engages primarily in financing the Company's consolidated operations, of which more than 50% of the outstanding voting stock is owned, directly or indirectly, by the Company or one or more of the Company's subsidiaries.

"Tranche" means all Securities of the same Series which have the same issue date, maturity date, interest rate or method of determining interest, and, in the case of Original Issue Discount Securities, which have the same issue price.

"Trustee" means the Person identified as "Trustee" in the first paragraph hereof and, subject to the provisions of Article Six, any successor trustee.

"Trust Indenture Act of 1939" or "Trust Indenture Act" (except as otherwise provided in Sections 8.1 and 8.2) means the Trust Indenture Act of 1939, as amended, as in force at the date as of which this Indenture was originally executed.

"United States of America" means the fifty states constituting the United States of America as of the date of this Indenture.

"United States Person" means, unless otherwise specified with respect to any Securities pursuant to Section 2.3, an individual who is a citizen or resident of the United States, a corporation, partnership or other entity created or organized in or under the laws of the United States or an estate or trust the income of which is subject to United States federal income taxation regardless of its source. For purposes of this definition, the term United States means the United States of America (including the states and the District of Columbia), its territories, its possessions and other areas subject to its jurisdiction.

"Unregistered Security" means any Security not registered in the Security register as to principal.

"Valuation Date" has the meaning specified in Section 2.12.

"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 of "vice president" and shall include, without limitation any Executive Vice President or Senior Vice President of the Company.

ARTICLE TWO

SECURITIES

SECTION 2.1 FORMS GENERALLY. The Securities of each Series shall be substantially in such form (not inconsistent with this Indenture) as shall be established by or pursuant to a resolution of the Board of Directors or in one or more indentures supplemental hereto, in each case with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture (the provisions of which shall be appropriate to reflect the terms of each Series of Securities, including the currency or denomination, which may be Dollars or any Foreign Currency) and may have imprinted or otherwise reproduced thereon such legend or legends, not inconsistent with the provisions of this Indenture, as may be required to comply with any law or with any rules or regulations pursuant thereto, or with any rules of any securities exchange or to conform to general usage, all as may 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 on steel engraved borders or may be produced in any other manner, all as determined by the officers executing such Securities as evidenced by their execution of such Securities.

SECTION 2.2 FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION. The Trustee's certificate of authentication on all Securities shall be in substantially the following form:

This is one of the Securities of the Series designated herein and referred to in the within-mentioned Indenture.

SunTrust Bank,
as Trustee

By _____
Authorized Signatory

[or

as Authentication Agent

By _____
Authorized Officer]

SECTION 2.3 AMOUNT UNLIMITED; ISSUABLE IN SERIES. The aggregate principal amount of Securities which may be authenticated and delivered under this Indenture is unlimited.

The Securities may be issued in one or more Series. There shall be established in or pursuant to a resolution of the Board of Directors and set forth in an Officers' Certificate, or established in one or more indentures supplemental hereto, prior to the issuance of Securities of any Series,

(1) the title of the Securities of the Series (which title shall distinguish the Securities of the Series from all other Securities issued by the Company);

(2) any limit upon the aggregate principal amount of the Securities of the Series that may be authenticated and delivered under this Indenture (except for Securities authenticated and delivered upon registration of transfer of, or in exchange for, or in lieu of, other Securities of the Series pursuant to Sections 2.8, 2.9, 2.11 or 12.3);

(3) if other than 100% of their principal amount, the percentage of their principal amount at which the Securities of the Series will be offered;

(4) the date or dates on which the principal of the Securities of the Series is payable;

(5) the rate or rates, which may be fixed or variable, at which the Securities of the Series shall bear interest, if any, the date or dates from which such interest shall accrue, the interest payment dates on which such interest shall be payable and, in the case of Registered Securities, the record dates for the determination of Holders to whom interest is payable;

(6) the place or places where the principal and interest on Securities of the Series shall be payable (if other than as provided in Section 3.2);

(7) the price or prices at which, the period or periods within which and the terms and conditions upon which Securities of the Series may be redeemed, in whole or in part, at the option of the Company, pursuant to any sinking fund or otherwise;

(8) if other than the principal amount thereof, the portion of the principal amount of Securities of the Series which shall be payable upon declaration of acceleration of the maturity pursuant to Section 5.1 or provable in bankruptcy pursuant to Section 5.2;

(9) the obligation, if any, of the Company to redeem, purchase or repay Securities of the Series pursuant to any sinking fund or analogous provisions or at the option of a Holder thereof and the price or prices in the currency in which the Securities of such Series are payable, at which and the period or periods within which and the terms and conditions upon which Securities of the Series shall be redeemed, purchased or repaid, in whole or in part, pursuant to such obligation;

(10) the issuance as Registered Securities or Unregistered Securities or both, and the rights of the Holders to exchange Unregistered Securities for Registered Securities of the Series or to exchange Registered Securities of the Series for Unregistered Securities of the Series and the circumstances under which any such exchanges, if permitted, may be made;

(11) if other than denominations of \$1,000 and any integral multiple thereof, the denominations, which may be in Dollars or any Foreign Currency, in which Securities of the Series shall be issuable;

(12) the form of the Securities (or forms thereof if Unregistered and Registered Securities shall be issuable in such Series), including such legends as required by law or as the Company deems necessary or appropriate, the form of any temporary global security which may be issued and the forms of any certificates which may be required hereunder or which the Company may require in

connection with the offering, sale, delivery or exchange of Unregistered Securities;

(13) the Currency or Currencies in which payments of interest or principal and other amounts are payable with respect to the Securities of the Series are to be denominated, payable, redeemable or repurchasable, as the case may be;

(14) whether Securities of the Series are issuable in Tranches;

(15) whether, and under what circumstances, the Securities of any Series shall be convertible into Securities of any other Series;

(16) if other than the Trustee, any trustees, authenticating or paying agents, transfer agents or registrars or any other agents with respect to the Securities of such Series;

(17) if the Securities of such Series do not bear interest, the applicable dates for purposes of Section 4.1 hereof;

(18) any deletions from, modifications of or additions to the Events of Default or covenants of the Company with respect to Securities of the Series, whether or not such Events of Default or covenants are consistent with the Events of Default or covenants set forth herein;

(19) whether, under what circumstances and the Currency in which, the Company will pay Additional Amounts as contemplated by Section 3.8 on the Securities of the Series to any Holder who is a non-United States Person (including any modification to the definition of such term) in respect of any tax, assessment or governmental charge and, if so, whether the Company will have the option to redeem such Securities rather than pay such Additional Amounts (and the terms of any such option); and

(20) any other terms or conditions upon which the Securities of the Series are to be issued (which terms shall not be inconsistent with the provisions of this Indenture).

All Securities of any one Series shall be substantially identical except as to denomination, except as provided in the immediately succeeding paragraph, and except as may otherwise be provided in or pursuant to such resolution of the Board of Directors or in any such indenture supplemental hereto. All Securities of any one Series need not be issued at the same time, and unless otherwise provided, a Series may be reopened, without the consent of the Holders, for issuances of additional Securities of such Series or to establish additional terms of such Series of Securities (which additional terms shall only be applicable to unissued or additional Securities of such Series).

Each Series may be issued in one or more Tranches. Except as provided in the foregoing paragraph, all Securities of a Tranche shall have the same

issue date, maturity date, interest rate or method of determining interest, and, in the case of Original Issue Discount Securities, the same issue price.

SECTION 2.4 AUTHENTICATION AND DELIVERY OF SECURITIES. At any time and from time to time after the execution and delivery of this Indenture, the Company may deliver Securities of any Series, if any, executed by the Company to the Trustee for authentication, and the Trustee shall thereupon authenticate and deliver such Securities to or upon the written order of the Company, signed by both (a) the chairman of its Board of Directors, or any vice chairman of its Board of Directors, or its president or any vice president and (b) by its treasurer or any assistant treasurer, secretary or any assistant secretary without any further action by the Company. In authenticating such Securities and accepting the additional responsibilities under this Indenture in relation to such Securities, the Trustee shall be entitled to receive and (subject to Section 6.1) shall be fully protected in relying upon:

(1) a certified copy of any resolution or resolutions of the Board of Directors authorizing the action taken pursuant to the resolution or resolutions delivered under clause (2) below;

(2) a copy of any resolution or resolutions of the Board of Directors relating to such Series, in each case certified by the secretary or an assistant secretary of the Company;

(3) an executed supplemental indenture, if any;

(4) an Officers' Certificate setting forth the form and terms of the Securities of such Series as required pursuant to Sections 2.1 and 2.3, respectively, and prepared in accordance with Section 11.5;

(5) an Opinion of Counsel, prepared in accordance with Section 11.5 to the following effect:

(a) that the form or forms and terms of such Securities, if any, have been established by or pursuant to a resolution of the Board of Directors or by a supplemental indenture as permitted by Sections 2.1 and 2.3 in conformity with the provisions of this Indenture;

(b) that such Securities, if any, have been duly authorized, and, when authenticated and delivered by the Trustee and issued by the Company in the manner and subject to any conditions specified in such Opinion of Counsel, will constitute valid and binding obligations of the Company enforceable in accordance with their terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws relating to or affecting the enforcement of creditors' rights and by general equitable principles, regardless of whether such enforceability is considered in a proceeding in equity or at law;

(c) the Securities, if any, and the related supplemental indenture, if any, have been duly executed and delivered by the Company;

(d) the registration statement, if any, relating to the Securities of such series and any amendments thereto has become effective under the Securities Act of 1933 and to the best knowledge of such counsel, no stop order suspending the effectiveness of such registration statement, as amended, has been issued and no proceedings for that purpose have been instituted or threatened; and

(e) the authentication and delivery of the Securities of such series by the Trustee in accordance with the directions of the Company so to do, and the Company's execution and delivery of the Securities of such series, will not violate the terms of this Indenture;

provided, however, that in the case of any Series issuable in Tranches, if the Trustee has previously received the documents referred to in Section 2.4(1)-(5) with respect to such Series, the Trustee shall authenticate and deliver Securities of such Series executed and delivered by the Company for original issuance upon receipt by the Trustee of the applicable Company Notice.

The Trustee shall have the right to decline to authenticate and deliver any Securities under this Section if the Trustee, being advised by counsel, determines that such action may not lawfully be taken by the Company or if the issue of such Securities pursuant to this Indenture will affect the Trustee's own rights, duties or immunities under this Indenture in a manner not reasonably acceptable to the Trustee.

Notwithstanding the foregoing, if any Security shall have been authenticated and delivered hereunder but never issued and sold by the Company, and the Company shall deliver such Security to the Trustee for cancellation as provided in Section 2.10, together with a written statement (which need not comply with Section 11.5 and need not be accompanied by an Opinion of Counsel) stating that such Security has never been issued and sold by the Company, for all purposes of this Indenture such Security shall be deemed never to have been authenticated and delivered hereunder and shall never be entitled to the benefits of this Indenture.

SECTION 2.5 EXECUTION OF SECURITIES. The Securities shall be signed on behalf of the Company by both (a) its chairman or its president or any vice president and (b) its treasurer or any assistant treasurer or its secretary or any assistant secretary, which may, but need not, be attested. Such signatures may be the manual or facsimile signatures of the present or any future such officers. Typographical and other minor errors or defects in any such reproduction of the seal or any such signature shall not affect the validity or enforceability of any Security that has been duly authenticated and delivered by the Trustee.

In case any officer of the Company who shall have signed any of the Securities shall cease to be such officer before the Security so signed shall be authenticated (in the case of the Securities) and delivered by the Trustee or disposed of by the Company, such Security nevertheless may be authenticated and delivered or disposed of as though the person who signed such Security had not ceased to be such officer of the Company; and any Security may be signed on

behalf of the Company by such persons as, at the actual date of the execution of such Security, shall be the proper officers of the Company, although at the date of the execution and delivery of this Indenture any such person was not such an officer.

SECTION 2.6 CERTIFICATE OF AUTHENTICATION. Only such Securities as shall bear thereon a certificate of authentication substantially in the form hereinbefore recited, executed by the Trustee by the manual signature of one of its authorized signatories, shall be entitled to the benefits of this Indenture or be valid or obligatory for any purpose. Such certificate by the Trustee upon any Security executed by the Company shall be conclusive evidence that the Security so authenticated has been duly authenticated and delivered hereunder and that the Holder is entitled to the benefits of this Indenture.

SECTION 2.7 DENOMINATION AND DATE OF SECURITIES; PAYMENTS OF INTEREST. The Securities shall be issuable in denominations as shall be specified as contemplated by Section 2.3. In the absence of any such specification with respect to the Securities of any Series, the Securities of such Series shall be issuable in denominations of \$1,000 and any multiple thereof, which may be in Dollars or any Foreign Currency, and interest shall be computed on the basis of a 360-day year of twelve 30-day months. The Securities shall be numbered, lettered, or otherwise distinguished in such manner or in accordance with such plan as the officers of the Company executing the same may determine with the approval of the Trustee as evidenced by the execution and authentication thereof.

Each Security shall be dated the date of its authentication, shall bear interest from the date and shall be payable on the dates, in each case, which shall be specified as contemplated by Section 2.3.

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 registered at the close of business on the regular record date for the payment of such interest.

The term "record date" as used with respect to any interest payment date (except for a date for payment of defaulted interest) shall mean the date specified as such in the terms of the Securities of any particular Series, or, if no such date is so specified, if such interest payment date is the first day of a calendar month, the close of business on the fifteenth day of the next preceding calendar month or, if such interest payment date is the fifteenth day of a calendar month, the close of business on the first day of such calendar month, whether or not such record date is a Business Day.

Any interest on any Security of any Series which is payable, but is not punctually paid or duly provided for, on any interest payment date (called "defaulted interest" for the purpose of this Section) shall forthwith cease to be payable to the Registered Holder on the relevant record date by virtue of his 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 clause (2) below:

(1) The Company may elect to make payment of any defaulted interest to the persons in whose names any such Registered 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 of such Series 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 in respect of Registered Securities of such Series which shall be not more than 15 nor 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 thereof to be mailed, first class postage prepaid, to each Registered 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 having been mailed as aforesaid, such defaulted interest in respect of Registered Securities of such Series shall be paid to the person in whose names such Securities (or their respective predecessor Securities) are registered on such special record date and such defaulted interest shall no longer be payable pursuant to the following clause (2).

(2) The Company may make payment of any defaulted interest on the Registered Securities of any Series in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Securities of that Series 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 payment shall be deemed practicable by the Trustee.

Any defaulted interest payable in respect of any Security of any Series which is not a Registered Security shall be payable pursuant to such procedures as may be satisfactory to the Trustee in such manner that there is no discrimination as between the Holders of Registered Securities and other Securities of the same Series, and notice of the payment date therefor shall be given by the Trustee, in the name and at the expense of the Company, by publication at least once in a newspaper of general circulation in New York, New York and London, England.

Subject to the foregoing provisions of this Section, each Security delivered under this Indenture upon 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 2.8 REGISTRATION, TRANSFER AND EXCHANGE. The Company will keep at the office or agency of the Trustee to be maintained for the purpose as provided in Section 3.2 a register or registers in which, subject to such reasonable regulations as it may prescribe, it will register, and will register the transfer of, Registered Securities as in this Article Two provided. Such register shall be in written form in the English language or in any other form capable of being converted into such form within a reasonable time. At all reasonable times such register or registers shall be open for inspection by the Trustee.

Upon due presentation for registration of transfer of any Registered Security of any Series at any such office or agency to be maintained for the purpose as provided in Section 3.2, the Company shall execute and the Trustee shall authenticate and deliver in the name of the transferee or transferees a new Registered Security or Registered Securities of the same Series in authorized denominations for a like aggregate principal amount.

At the option of the Holder thereof, Unregistered Securities of a Series, which by their terms are registerable as to principal and interest, may, to the extent and under the circumstances specified pursuant to Section 2.3, be exchanged for Registered Securities of such Series, as may be issued by the terms thereof. At the option of the Holder thereof, Registered Securities of a Series, which by their terms provide for the issuance of Unregistered Securities, may, to the extent and under the circumstances specified pursuant to Section 2.3, be exchanged for Unregistered Securities of such Series. Securities so issued in exchange for other Securities shall be of any authorized denomination and of like principal amount and maturity date, interest rate or method of determining interest, and shall be issued upon surrender of the Securities for which they are to be exchanged. 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. Notwithstanding the foregoing, an Unregistered Security will not be delivered in exchange for a Registered Security or Securities unless the Trustee receives a certificate signed by the person entitled to delivery of such Security or other items or documents fulfilling such conditions as shall be required by regulations of the United States Department of the Treasury, or shall be notified by the Company that such a certificate shall not be required by such regulations; provided, however, that no such Unregistered Security shall be delivered by the Trustee if the Trustee or such agent shall have, or shall have been notified in writing by the Company that the Company has, actual knowledge that such certificate is false.

Upon presentation for registration of any Unregistered Securities of any Series which by its terms is registerable as to principal, at the office or agency of the Company to be maintained as provided in Section 3.2, such Security shall be registered as to principal in the name of the Holder thereof and such registration shall be noted on such Security. Any Security so registered shall be transferable on the registry books of the Company upon presentation of such Security at such office or agency for similar notation thereon, but such Security may be discharged from registration by being in a like manner transferred to bearer, whereupon transferability by delivery shall be restored. Except as otherwise provided pursuant to Section 2.3 hereof, Unregistered Securities shall continue to be subject to successive registrations and discharges from registration at the option of the Holders thereof.

Unregistered Securities shall be transferable by delivery, except while registered as to principal. All Securities issued upon any 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 transfer or exchange.

Every Security presented or surrendered for registration of transfer or 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 Trustee 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 transfer or exchange of Securities, other than exchanges pursuant to Sections 2.11, 8.5 or 12.3 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 mailing of a notice of redemption of Securities for redemption under Article Twelve or (ii) to register the transfer of or exchange any Security so selected for redemption in whole or in part, except, in the case of any Security to be redeemed in part, the portion thereof not redeemed.

SECTION 2.9 MUTILATED, DEFACED, DESTROYED, LOST AND STOLEN SECURITIES.
In case any temporary or definitive Security shall become mutilated, defaced or be destroyed, lost or stolen, the Company in its discretion may execute, and upon the written request of any officer of the Company, the Trustee shall authenticate and deliver, a new Security of the same Series, bearing a number not contemporaneously outstanding, in exchange and substitution for the mutilated or defaced Security, or in lieu of and substitution for the Security so destroyed, lost or stolen. In every case the applicant for a substitute Security shall furnish to the Company and to the Trustee and to any agent of the Company or the Trustee such security or indemnity as may be required by them to indemnify and defend and to save each of them harmless and, in every case of destruction, loss or theft, evidence to their satisfaction of the destruction, loss or theft of such Security and of the ownership thereof.

Upon the issuance of any substitute Security, 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. In case any Security which has matured or is about to mature or has been called for redemption in full shall become mutilated or defaced or be destroyed, lost or stolen, the Company may, instead of issuing a substitute Security, pay or authorize the payment of the same (without surrender thereof except in the case of a mutilated or defaced Security.)

Every substitute Security of any Series issued pursuant to the provisions of this Section by virtue of the fact that any such Security is destroyed, lost or stolen shall constitute an 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 (but shall be subject to all the limitations of rights set forth in) this

Indenture equally and proportionately with any and all other Securities of such Series duly authenticated and delivered hereunder. All Securities shall be held and owned upon the express condition that, to the extent permitted by the law, the foregoing provisions are exclusive with respect to the replacement or payment of mutilated, defaced, destroyed, lost or stolen Securities and shall preclude any and all other rights or remedies notwithstanding any law or statute existing or hereafter enacted to the contrary with respect to the replacement or payment of negotiable instruments or other securities without their surrender.

SECTION 2.10 CANCELLATION OF SECURITIES. All Securities surrendered for payment, redemption, registration of transfer or exchange, or for credit against any payment in respect of a sinking or analogous fund shall, if surrendered to the Company or any agent of the Company or the Trustee, be delivered to the Trustee for cancellation or, if surrendered to the Trustee, shall be cancelled by it; and no Securities shall be issued in lieu thereof, except as expressly permitted by any of the provisions of this Indenture. The Trustee shall dispose cancelled Securities in accordance with its customary procedures. If the Company shall acquire any of the Securities, such acquisition shall not operate as a redemption or satisfaction of the indebtedness represented by such Securities unless and until the same are delivered to the Trustee for cancellation.

SECTION 2.11 TEMPORARY SECURITIES. Pending the preparation of definitive Securities for any Series, the Company may execute and the Trustee shall authenticate and deliver temporary Securities for such Series (printed, lithographed, typewritten or otherwise reproduced, in each case in form satisfactory to the Trustee). Temporary Securities of any Series may be issued as Registered Securities or Unregistered Securities attached thereto, of any authorized denomination, and substantially in the form of the definitive Securities of such Series but with such omissions, insertions and variations as may be appropriate for temporary Securities, all as may be determined by the Company with the concurrence of the Trustee. Temporary Securities may contain such reference to any provisions of this Indenture as may be appropriate. Every temporary Security shall be executed by the Company and be authenticated by the Trustee upon the same conditions and in substantially the same manner, and with like effect, as the definitive Securities. Without unreasonable delay the Company shall execute and shall furnish definitive Securities of such Series and thereupon temporary Securities of such Series may be surrendered in exchange therefor without charge at each office or agency to be maintained by the Company for that purpose pursuant to Section 3.2, and the Trustee shall authenticate and deliver in exchange for such temporary Securities of such Series a like aggregate principal amount of definitive Securities of the same Series of authorized denominations. Until so exchanged, the temporary Securities of any Series shall be entitled to the same benefits under this Indenture as definitive Securities of such Series.

SECTION 2.12 CURRENCY AND MANNER OF PAYMENTS IN RESPECT OF SECURITIES.

(a) With respect to Registered Securities of any Series with respect to which the Holders of such Securities have not made the election provided for in paragraph (b) below, the following payment provisions shall apply:

(1) Except as provided in subparagraph (a)(2) or in paragraph (e) below, payment of the principal of any Registered Security will be made at the Place of Payment by delivery of a check in the Currency in which the Security is denominated on the payment date against surrender of such Registered Security, and any interest on any Registered Security will be paid at the Place of Payment by mailing a check in the Currency in which the Securities were issued to the Person entitled thereto at the address of such Person appearing on the Security register.

(2) Payment of the principal of and interest on such Security may also, subject to applicable laws and regulations, be made at such other place or places as may be designated by the Company by any appropriate method.

(b) With respect to Registered Securities of any Series, the following payment provisions shall apply, except as otherwise provided in paragraphs (e) and (f) below:

(1) The Board of Directors may provide with respect to any Series of such Securities that Holders shall have the option to receive payments of principal of and interest on such Security in any of the Currencies which may be designated for such election in such Security by delivering to the Trustee a written election, to be in form and substance satisfactory to the Trustee, not later than the close of business on the record date immediately preceding the applicable payment date. Such election will remain in effect for such Holder until changed by the Holder by written notice to the Trustee (but any such change must be made not later than the close of business on the record date immediately preceding the next payment date to be effective for the payment to be made on such payment date and no such change may be made with respect to payments to be made on any Security with respect to which notice of redemption has been given by the Company pursuant to Article Twelve). Any Holder of any such Security who shall not have delivered any such election to the Trustee not later than the close of business on the applicable record date will be paid the amount due on the applicable payment date in the relevant Currency as provided in paragraph (a) of this Section 2.12. Payment of principal shall be made on the payment date against surrender of such Securities. Payment of principal and interest shall be made at the Place of Payment by mailing a check in the applicable currency to the Person entitled thereto at the address of such Person appearing on the Security register.

(2) Payment of the principal of and interest on such Security may also, subject to applicable laws and regulations, be made at such other place or places as may be designated by the Company by any appropriate method.

(c) Payment of the principal and interest of any Unregistered Security will be made at such place or places outside the United States as may be designated by the Company by any appropriate method only in the Currency in which the Security is payable (except as provided in paragraph (e) below) on the payment date. Except as provided in paragraph (e) below, payment with respect to Unregistered Securities will be made by check, subject to any limitations on the methods of effecting such payment as shall be specified in the terms of the

Security established as provided in Section 2.3 and as shall be required under applicable laws and regulations. Payment of the principal of and interest on Unregistered Securities may also, subject to applicable laws and regulations, be made at such other place or places as may be designated by the Company by any appropriate method.

(d) Not later than the fourth Business Day after the record date for each payment date, the Trustee will deliver to the Company a written notice specifying, in the Currency in which each Series of the Securities are denominated, the respective aggregate amounts of principal of and interest on the Securities to be made on such payment date, specifying the amounts so payable in respect of the Registered and the Unregistered Securities and in respect of the Registered Securities as to which the Holders shall have elected to be paid in another Currency as provided in paragraph (b) above. If the Board of Directors has provided for the election referred to in paragraph (b) above and if at least one Holder has made such election, then not later than the second Business Day preceding such record date the Company will deliver to the Trustee an Exchange Rate Officer's Certificate in respect of the Dollar or Foreign Currency payments to be made on such payment date. The Dollar or Foreign Currency amount receivable by Holders of Registered Securities who have elected payment in another Currency as provided in paragraph (b) above shall be determined by the Company on the basis of the applicable Market Exchange Rate in effect on the second Business Day (the "Valuation Date") prior to such payment date and set forth in the applicable Exchange Rate Officer's Certificate.

(e) If a Conversion Event occurs with respect to a Foreign Currency in which any of the Securities are denominated or payable, then with respect to each date for the payment of principal of, premium, if any, and interest on the applicable Foreign Currency denominated Securities occurring after the last date on which the Foreign Currency was so used (the "Conversion Date"), the Dollar shall be the currency of payment for use on each such payment date. The Dollar amount to be paid by the Company to the Trustee and by the Trustee or any Paying Agent to the Holders of such Securities with respect to such payment date shall be, in the case of a Foreign Currency, the Dollar Equivalent of the Foreign Currency as determined by the Currency Determination Agent in the manner provided in paragraphs (g) or (h) below.

(f) If the Holder of a Registered Security elects payment in a specified Currency as provided for by paragraph (b) and a Conversion Event occurs with respect to such elected Currency, such Holder shall receive payment in the Currency in which payment would have been made in the absence of such election; and if a Conversion Event occurs with respect to the Currency in which payment would have been made in the absence of such election, such Holder shall receive payment in Dollars.

(g) The "Dollar Equivalent of the Foreign Currency" shall be determined by the Currency Determination Agent as of each Valuation Date and shall be obtained by converting the specified Foreign Currency into Dollars at the Market Exchange Rate on the Conversion Date.

(h) For purposes of this Section 2.12 the following terms shall have the following meanings:

"Market Exchange Rate" shall mean for any currency the noon Dollar buying rate for that currency for cable transfers quoted in New York City on the Valuation Date as certified for customs purposes by the Federal Reserve Bank of New York. If such rates are not available for any reason with respect to one or more Currencies for which an exchange rate is required, the Currency Determination Agent shall use, in its sole discretion and without liability on its part, such quotation of the Federal Reserve Bank of New York as of the most recent available date, or quotations from one or more major banks in New York City or in the country of issue of the currency in question, or such other quotations as the Currency Determination Agent shall deem appropriate. Unless otherwise specified by the Currency Determination Agent, if there is more than one market for dealing in any currency by reason of foreign exchange regulations or otherwise, the market to be used in respect of such currency shall be that upon which a nonresident issuer of securities designated in such currency would purchase such currency in order to make payments in respect of such securities.

All decisions and determinations of the Currency Determination Agent regarding the Dollar Equivalent of the Foreign Currency and the Market Exchange Rate as specified above shall be in its sole discretion and shall, in the absence of manifest error, be conclusive for all purposes and irrevocably binding upon the Company, the Trustee for the relevant series of Securities and all Holders of such Securities.

In the event that a Conversion Event has occurred with respect to a Foreign Currency, the Company, after learning thereof, will immediately give notice thereof to the Trustee (and the Trustee will promptly thereafter give notice in the manner provided in Section 11.4 to the affected Holders) specifying the Conversion Date.

The Trustee shall be fully justified and protected in relying on and acting upon the information so received by it from the Company and the Currency Determination Agent and shall not otherwise have any duty or obligation to determine such information independently.

SECTION 2.13 COMPLIANCE WITH CERTAIN LAWS AND REGULATIONS. If any Unregistered Securities are to be issued in any Series of Securities, the Company will use reasonable efforts to provide for arrangements and procedures designed pursuant to then applicable laws and regulations, if any, to ensure that Unregistered Securities are sold or resold, exchanged, transferred and paid only in compliance with such laws and regulations and without adverse consequences to the Company.

SECTION 2.14 CUSIP NUMBERS. The Company in issuing the Securities may use "CUSIP" or "ISIN" numbers (if then generally in use), and, if so, the Trustee shall indicate the "CUSIP" or "ISIN" numbers of the Securities in notices of redemption as a convenience to Holders; provided that any such notice may state that no representation is made as to the correctness of such numbers either as printed on the Securities or as contained in any notice of redemption and that reliance may be placed only on the other identification numbers printed on the Securities, and any such redemption shall not be affected by any defect in or omission of such numbers. The Company will promptly notify the Trustee of any change in the "CUSIP" or "ISIN" numbers.

SECTION 2.15 SECURITIES IN GLOBAL FORM. If Securities of or within a Series are issuable in whole or in part in global form, any such Security may provide that it shall represent the aggregate amount of Outstanding Securities from time to time endorsed thereon and may also provide that the aggregate amount of Outstanding Securities represented thereby may from time to time be reduced or increased to reflect exchanges. Any endorsement of a Security in global form to reflect the amount, or any increase or decrease in the amount, or changes in the rights of Holders, of Outstanding Securities represented thereby, shall be made in such manner and by such Person or Persons as shall be specified therein or in the Company order to be delivered to the Trustee pursuant to Section 2.4 or 2.11. Subject to the provisions of Section 2.4 and, if applicable, Section 2.11, the Trustee shall deliver and redeliver any Security in permanent global form in the manner and upon instructions given by the Person or Persons specified therein or in the applicable Company order. Any instructions by the Company with respect to endorsement or deliver or redelivery of a Security in global form shall be in writing but need not comply with Section 11.5 and need not be accompanied by an Opinion of Counsel.

The provisions of the last paragraph of Section 2.4 shall apply to any Security in global form if such Security was never issued and sold by the Company and the Company delivers to the Trustee the Security in global form together with written instructions (which need not comply with Section 11.5 and need not be accompanied by an Opinion of Counsel) with regard to the reduction in the principal amount of Securities represented thereby, together with the written statement contemplated by the last paragraph of Section 2.4.

Notwithstanding the provisions of Section 3.1, unless otherwise specified as contemplated by Section 2.4, payment of principal of and interest on any Security in permanent global form shall be made to the Person or Persons specified in such Security.

ARTICLE THREE

COVENANTS OF THE ISSUER

SECTION 3.1 PAYMENT OF PRINCIPAL AND INTEREST. The Company covenants and agrees for the benefit of each Series of Securities that it will duly and punctually pay or cause to be paid (in the currency in which the Securities of such Series are payable, except as otherwise provided pursuant to Section 2.3 for the Securities of such Series and except as provided in Section 2.12(b), (e) and (f) hereof) the principal of, and interest on, each of the Securities of such Series in accordance with the terms of the Securities of such Series and this Indenture.

SECTION 3.2 OFFICES FOR PAYMENT, ETC. So long as any of the Securities remain outstanding, the Company will maintain the following for each Series: an office or agency (a) where the Securities may be presented for payment, (b) where the Securities may be presented for registration of transfer and for exchange as in this Indenture provided and (c) where notices and demands to or upon the Company in respect of the Securities or of this Indenture may be served. The Company will give to the Trustee written notice of the location of any such office or agency and of any change of location thereof. In case the Company shall fail to so designate or maintain any such office or agency or shall fail to give such notice of the location or of any change in the location

thereof, presentations and demands may be made and notices may be served at the corporate trust office. Unless otherwise specified pursuant to Section 2.3, the Trustee is appointed Paying Agent and Registrar.

So long as any Unregistered Securities of any Series remain outstanding, the Company will (except as specified pursuant to Section 2.3) maintain one or more offices or agencies outside the United States in such city or cities as may be specified elsewhere in this Indenture or as contemplated by Section 2.3, and shall maintain such office or offices for a period of two years (or any period thereafter for which it is necessary in order to conform to United States tax laws or regulations) after the principal on such Unregistered Securities has become due and payable, Unregistered Securities of such Series may be surrendered or presented for payment, or surrendered for exchange pursuant to Section 2.8. The Company will give prompt written notice to the Trustee of the location and any change in the location, of any such office or agency. If at any time the Company shall fail to maintain such required office or agency or shall fail to furnish the Trustee with the address thereof, presentations, surrenders, notices and demands in respect of Unregistered Securities may be made or served at the Corporate Trust Office of the Trustee and the corporate trust office of any authenticating agent appointed hereunder, and presentations, surrenders, and notices may be made or served at the corporate trust office of the Trustee in the other city or cities referred to above; and the Company hereby appoints the Trustee and any authenticating agent appointed hereunder its agents to receive all such presentations, surrenders, notices and demands.

SECTION 3.3 APPOINTMENT TO FILL A VACANCY IN OFFICE OF TRUSTEE. The Company, whenever necessary to avoid or fill a vacancy in the office of Trustee, will appoint, in the manner provided in Section 6.10, a Trustee, so that there shall at all times be a Trustee with respect to each Series of Securities hereunder.

SECTION 3.4 PAYING AGENTS. Whenever the Company shall appoint a Paying Agent other than the Trustee with respect to the Securities of any Series, it will cause such Paying Agent to execute and deliver to the Trustee an instrument in which such Agent shall agree with the Trustee, subject to the provisions of this Section,

(a) that it will hold all sums received by it as such Agent for the payment of the principal of or interest on the Securities of such Series (whether such sums have been paid to it by the Company or by any other obligor on the Securities of such Series) in trust for the benefit of the Holders of the Securities of such Series or of the Trustee, and upon the occurrence of an Event of Default and upon the written request of the Trustee, pay over all such sums received by it to the Trustee,

(b) that it will give the Trustee notice of any failure by the Company (or by any other obligor on the Securities of such Series) to make any payment of the principal of or interest on the Securities of such Series when the same shall be due and payable, and

(c) that it will give the Trustee notice of any change of address of any Holder of which it is aware.

The Company will, on or prior to each due date of the principal of or interest on the Securities of such Series, deposit with the Paying Agent a sum sufficient to pay such principal or interest so becoming due, and (unless such Paying Agent is the Trustee) the Company will promptly notify the Trustee of any failure to take such action.

If the Company shall act as its own Paying Agent with respect to the Securities of any Series, it will, on or before each due date of the principal of or interest on the Securities of such Series, set aside, segregate and hold in trust for the benefit of the Holders of the Securities of such Series a sum sufficient to pay such principal or interest so becoming due. The Company will promptly notify the Trustee of any failure to take such action.

Anything in this Section to the contrary notwithstanding, the Company may at any time, for the purpose of obtaining a satisfaction and discharge with respect to one or more or all Series of Securities hereunder, or for any other reason, pay or cause to be paid to the Trustee all sums held in trust for any such Series by the Company or any Paying Agent hereunder, as required by this Section, such sums to be held by the Trustee upon the trusts herein contained.

Anything in this Section to the contrary notwithstanding, the agreement to hold sums in trust as provided in this Section is subject to the provisions of Sections 10.3 and 10.4.

SECTION 3.5 WRITTEN STATEMENT TO TRUSTEE. The Company will deliver to the Trustee for each Series of Securities on or before a date not more than four months after the end of each of its fiscal years ending after the date hereof during which any Securities are outstanding a written statement, signed by two of its officers (which need not comply with Section 11.5), stating that in the course of the performance of their duties as officers of the Company they would normally have knowledge of any default by the Company in the performance or fulfillment of any covenant, agreement or condition contained in this Indenture, stating whether or not they have knowledge of any such default and, if so, specifying each such default of which the signers have knowledge and the nature thereof.

SECTION 3.6 LIMITATION ON LIENS. (a) The Company will not, nor will it permit any Subsidiary to, directly or indirectly, create, incur or assume any mortgage, pledge, lien, security interest or other encumbrance (a "Lien") upon or with respect to any Principal Property, now owned or hereafter acquired, or on the capital stock of any principal subsidiary, now owned or hereafter acquired, to secure any Debt of the Company, any Subsidiary or any other person without in any such case making effective provision pursuant to which the Securities will be secured by that Lien equally and ratably with (or prior to) any and all other obligations and debt so secured, for so long as the other obligations and debt are so secured; provided, however, that the foregoing restrictions shall not apply to:

(i) Liens existing as of the date of the issuance of the Securities;

(ii) Liens on property or assets of, or any shares of stock or securing debt of, any corporation existing at the time such corporation becomes a Subsidiary;

(iii) Liens on property or assets or shares of stock or securing debt existing at the time of acquisition of the affected property by the Company or a Subsidiary (including acquisition through merger or consolidation) and certain Liens to secure debt incurred prior to, at the time of or within 180 days after the later of the completion of the acquisition of, or the completion of the construction of, improvement of, and commencement of operation of, any such property (including any Capital Lease), for the purpose of financing all or any part of the purchase price or construction cost thereof;

(iv) Liens to secure partial, progress, advance or other payments or any Debt incurred for the purpose of financing all or any part of the purchase price or the cost of construction, development, or substantial repair, alteration or improvement of the property subject to such Liens if the commitment for the financing is obtained not later than one year after the later of the completion of or the placing into operation (exclusive of test and start-up periods) of such constructed, developed, repaired, altered or improved property;

(v) Liens in favor of the United States of America or any State thereof, or any department, agency or instrumentality or political subdivision of the United States of America or any State thereof, or in favor of any other country or any political subdivision thereof, or in favor of holders of securities issued by any such entity, pursuant to any contract or statute (including, without limitation, mortgages to secure Debt of the pollution control or industrial revenue bond type) or to secure any debt incurred for the purpose of financing all or any part of the purchase price or the cost of construction of the property subject to such mortgages, so long as such Liens are limited to the related asset;

(vi) Liens in favor of, or which secure debt owing to, the Company or a Subsidiary;

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

(viii) Liens arising in connection with contracts and subcontracts with or made at the request of the United States of America, or any state thereof, or any department, agency or instrumentality of the United States or any state thereof, including the assignment of moneys due or to become due thereon;

(ix) Liens for taxes, governmental assessments, charges or levies in the nature of taxes not yet due and payable, or liens for taxes, governmental assessments, charges or levies in the nature of taxes being contested in good faith and by appropriate proceedings;

(x) Liens (including judgment liens) arising in connection with legal proceedings so long as such proceedings are being contested in good faith and, in the case of judgment liens, execution thereon is stayed;

(xi) landlords' Liens under leases to which the Company or any Subsidiary is a party;

(xii) Permitted Encumbrances;

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

(xiv) Liens arising from precautionary UCC financing statements or similar filings regarding operating leases;

(xv) mechanics', materialmen's, carriers', warehousemen's, repairmen's or other similar Liens arising in the ordinary course of business (including construction of facilities) in respect of obligations which are not due or which are being contested in good faith; and

(xvi) any extension, substitution, renewal or replacement (or successive extensions, renewals or replacements) in whole or in part of any Lien referred to in the foregoing clauses (i) to (xv), inclusive, provided, however, that the principal amount of Debt secured thereby shall not exceed the principal amount of Debt so secured at the time of such extension, renewal or replacement mortgage, and that such extension, renewal or replacement Lien shall be limited to all or a part of the assets which secured the Lien so extended, renewed or replaced (plus improvements on such assets).

(b) Notwithstanding the foregoing provisions of this Section, the Company and any one or more Subsidiaries may issue, assume or guarantee Debt secured by Liens which would otherwise be subject to the foregoing restrictions in an aggregate amount which, together with all other Debt of the Company and its Subsidiaries which (if originally issued, assumed or guaranteed at such time) would otherwise be subject to the foregoing restrictions (not including Debt permitted to be secured under clauses (i) through (xvi) above) and together with all Attributable Debt in respect of sale and lease-back transactions existing at such time (with the exception of transactions which are not subject to the limitation set forth in Section 3.7 below), does not at the time exceed 10% of Consolidated Net Tangible Assets.

SECTION 3.7 LIMITATION ON SALE AND LEASE-BACK. The Company will not, nor will it permit any Subsidiary to, enter into any arrangement with any person providing for the leasing by the Company or any Subsidiary of any Principal Property of the Company or any Subsidiary (except for temporary leases for a term of not more than three years and except for leases between the Company and a Subsidiary or between Subsidiaries), which Principal Property has been or is to be sold or transferred more than 180 days after such Principal Property has been owned by the Company or such Subsidiary and completion of construction and commencement of full operation thereof, by the Company or a Subsidiary to such person (herein referred to as a "Sale and Lease-Back Transaction"), unless (a) the net proceeds to the Company or such Subsidiary from the sale or transfer

equal or exceed the fair value (as determined by the Board of Directors) of the Principal Property so leased, (b) the Company or such Subsidiary would be entitled, pursuant to the provisions of Section 3.6, to issue, assume or guarantee Debt secured by a Lien upon such Principal Property at least equal in amount to the Attributable Debt in respect of such Sale and Lease-Back Transaction without equally and ratably securing the Securities; or (c) the Company shall apply, within 180 days of the effective date of any such arrangement, an amount in cash equal to the Attributable Debt in respect of such arrangement to (i) the retirement of Funded Debt or (ii) to the acquisition of additional real property.

The term "Attributable Debt", in respect of a Sale and Lease-Back Transaction, shall mean the present value (discounted at the actual percentage rate as determined in good faith by the Company, compounded semi-annually) of the obligation of a lessee for rental payments during the remaining term of any lease (including any period for which such lease has been extended or may, at the option of the lessor, be extended). Sale and lease-back transactions with respect to facilities financed with certain tax-exempt securities are excepted from the definition. Such rental payments shall not include amounts payable by the lessee for maintenance and repairs, insurance, taxes, assessments and similar charges and for contingent rents (such as those based on sales). Any determination of any actual percentage rate inherent in any such Sale and Lease-Back Transaction made in good faith by the Company shall be binding and conclusive, and the Trustee shall have no duty with respect to any determination made under this Section 3.7.

SECTION 3.8 ADDITIONAL AMOUNTS. If Securities of a Series provide for the payment of additional amounts to any Holder who is a non-United States Person in respect of any tax, assessment or governmental charge ("Additional Amounts"), the Company will pay to the Holder of any Security of such Series such Additional Amounts as may be so provided by Section 2.3. Whenever in this Indenture there is mentioned, in any context, the payment of the principal of or interest on, or in respect of, any Security of a Series or the net proceeds received on the sale or exchange of a Security of a Series, such mention shall be deemed to include mention of the payment of Additional Amounts provided for by the terms of such Series established pursuant to Section 2.3 to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof pursuant to such terms and express mention of the payment of Additional Amounts (if applicable) in any provisions hereof shall not be construed as excluding Additional Amounts in those provisions hereof where such express mention is not made.

Except as otherwise specified as contemplated by Section 2.3, if the Securities of a Series provide for the payment of Additional Amounts, at least 10 days prior to each date of payment of principal or interest on which any Additional Amount shall be payable, the Company will furnish the Trustee and the Company's principal Paying Agent or Paying Agents, if other than the Trustee, with a compliance certificate instructing the Trustee and such Paying Agent or Paying Agents whether such payment of principal of or interest on the Securities of that Series shall be made to Holders of Securities of that Series who are non-United States Persons without withholding for or on account of any tax, assessment or other governmental charge described in the Securities of that Series. If any such withholding shall be required, then such compliance certificate shall specify by country the amount, if any, required to be withheld on such payments to such Holders of Securities of that Series and the Company will pay to the Trustee or such Paying Agent the Additional Amounts required by

the terms of such Securities. The Company covenants to indemnify the Trustee and any Paying Agent for, and to hold them harmless against, any loss, liability or expense reasonably incurred without negligence or bad faith on their part arising out of or in connection with actions taken or omitted by any of them in reliance on any Officer's Certificate furnished pursuant to this Section or in the event the Trustee shall not withhold or deduct any sums as a result of the non-receipt of a compliance certificate pursuant to this Section.

SECTION 3.9 CALCULATION OF ORIGINAL ISSUE DISCOUNT. The Company shall file with the Trustee promptly at the end of each calendar year (i) a written notice specifying the amount of original issue discount (including daily rates and accrual periods) accrued on Outstanding Securities as of the end of such year and (ii) such other specific information relating to such original issue discount as may then be relevant under the Internal Revenue Code of 1986, as amended from time to time.

ARTICLE FOUR

SECURITYHOLDERS' LISTS AND REPORTS BY THE ISSUER AND THE TRUSTEE

SECTION 4.1 COMPANY TO FURNISH TRUSTEE INFORMATION AS TO NAMES AND ADDRESSES OF SECURITYHOLDERS. The Company covenants and agrees that it will furnish or cause to be furnished to the Trustee for the Securities of each Series a list in such form as the Trustee may reasonably require of the names and addresses of the Holders of the Registered Securities of each Series:

(a) semiannually and not more than 15 days after each record date for the payment of interest on such Securities, as hereinabove specified, as of such record date and on dates to be determined pursuant to Section 2.3 for non-interest bearing securities in each year, and

(b) at such other times as the Trustee may request in writing, within 30 days after receipt by the Company of any such request such list to be as of a date not more than 15 days prior to the time such information is furnished,

PROVIDED that if and so long as the Trustee shall be the Security registrar for such Series, such list shall not be required to be furnished but in any event the Company shall be required to furnish such information concerning the Holders of Unregistered Securities which is known to it; PROVIDED, FURTHER, that the Company shall have no obligation to investigate any matter relating to any Holder of an Unregistered Security.

SECTION 4.2 PRESERVATION AND DISCLOSURE OF SECURITYHOLDERS' LISTS. (a) The Trustee for the Securities of each Series shall preserve, in as current a form as is reasonably practicable, all information as to the names and addresses of the Holders of each Series of Securities contained in the most recent list furnished to it as provided in Section 4.1 or maintained by the Trustee in its

capacity as Security registrar for such Series, if so acting. The Trustee may destroy any list furnished to it as provided in Section 4.1 upon receipt of a new list so furnished.

(b) In case three or more Holders of Registered Securities of any Series (hereinafter referred to as "applicants") apply in writing to the Trustee and furnish to the Trustee reasonable proof that each such applicant has owned a Security for a period of at least six months preceding the date of such application, and such application states that the applicants desire to communicate with other Holders of Securities of a particular Series (in which case the applicants must all hold Securities of such Series) or with Holders of all Securities with respect to their rights under this Indenture or under such Securities and such application is accompanied by a copy of the form of proxy or other communication which such applicants propose to transmit, then the Trustee shall, within five business days after the receipt of such application, at its election, either

(i) afford to such applicants access to the information preserved at the time by the Trustee in accordance with the provisions of subsection (a) of this Section 4.2, or

(ii) inform such applicants as to the approximate number of Holders of Securities of such Series or all Securities, as the case may be, whose names and addresses appear in the information preserved at the time by the Trustee, in accordance with the provisions of subsection (a) of this Section, as to the approximate cost of mailing to such Securityholders the form of proxy or other communication, if any, specified in such application.

If the Trustee shall elect not to afford to such applicants access to such information, the Trustee shall, upon the written request of such applicants, mail to each Securityholder of such Series or all Securities, as the case may be, whose name and address appear in the information preserved at the time by the Trustee in accordance with the provisions of subsection (a) of this Section, a copy of the form of proxy or other communication which is specified in such request, with reasonable promptness after a tender to the Trustee of the material to be mailed and of payment, or provision for the payment, of the reasonable expenses of mailing, unless within five days after such tender, the Trustee shall mail to such applicants and file with the Commission together with a copy of the material to be mailed, a written statement to the effect that, in the opinion of the Trustee, such mailing would be contrary to the best interests of the Holders of Securities of such Series or all Securities, as the case may be, or could be in violation of applicable law. Such written statement shall specify the basis of such opinion. If the Commission, after opportunity for a hearing upon the objections specified in the written statement so filed, shall enter an order refusing to sustain any of such objections or if, after the entry of such order sustaining one or more of such objections, the Commission shall find, after notice and opportunity for hearing, that all the objections so sustained have been met, and shall enter an order so declaring, the Trustee shall mail copies of such material to all such Securityholders with reasonable promptness after the entry of such order and the renewal of such tender; otherwise the Trustee shall be relieved of any obligation or duty to such applicants respecting their application.

(c) Each and 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 the Company or the Trustee shall be held accountable by reason of the disclosure of any such information as to the names and addresses of the Holders of Securities in accordance with the provisions of subsection (b) of this Section, regardless of the source from which such information was derived, and that the Trustee shall not be held accountable by reason of mailing any material pursuant to a request made under such subsection (b).

SECTION 4.3 REPORTS BY THE COMPANY. The Company covenants:

(a) to file with the Trustee for the Securities of each Series, within 15 days after the Company is required to file the same with the Commission, copies of the annual reports and of the information, documents, and other reports (or copies of such portions of any of the foregoing as the Commissioner may from time to time by rules and regulations prescribe) which the Company may be required to file with the Commission pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934, or if the Company is not required to file information, documents, or reports pursuant to either of such Sections, then to file with the Trustee and the Commission, in accordance with rules and regulations prescribed from time to time by the Commission, such of the supplementary and periodic information, documents, and reports which may be required pursuant to Section 13 of the Securities Exchange Act of 1934;

(b) to file with the Trustee and the Commission, in accordance with rules and regulations prescribed from time to time by the Commission, such additional information, documents, and reports with respect to compliance by the Company with the conditions and covenants provided for in this Indenture as may be required from time to time by such rules and regulations;

(c) to transmit by mail to the Holders of Registered Securities in the manner and to the extent required by Sections 4.4(c) and 11.4, within 30 days after the filing thereof with the Trustee, such summaries of any information, documents, and reports required to be filed by the Company pursuant to subsection (a) and (b) of this Section as may be required to be transmitted to such Holders by rules and regulations prescribed from time to time by the Commission; and

(d) to furnish to the Trustee, not less often than annually, a brief certificate from the principal executive officer, principal financial officer or principal accounting officer of the Company as to his or her knowledge of the Company's compliance with all conditions and covenants under this Indenture. For purposes of this paragraph, such compliance shall be determined without regard to any period of grace or requirement of notice provided under this Indenture.

Delivery of such reports, information and documents to the Trustee is for informational purposes only and the Trustee's receipt of such shall not constitute constructive notice of any information contained therein or determinable from information contained therein, including the Company's compliance with any of its covenants hereunder (as to which the Trustee is entitled to rely exclusively on Officers' Certificates).

SECTION 4.4 REPORTS BY THE TRUSTEE. (a) The Trustee shall transmit to Holders such reports 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. If required by Section 313(a) of the Trust Indenture Act, the Trustee shall, within sixty days after each May 15 following the date of this Indenture deliver to Holders a brief report, dated as of such May 15, which complies with the provisions of such Section 313(a).

(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, if any, upon which the Securities are listed, with the Commission and with the Company. The Company will promptly notify the Trustee when the Securities are listed on any stock exchange and of any delisting thereof.

ARTICLE FIVE

REMEDIES OF THE TRUSTEE AND SECURITYHOLDERS ON EVENT OF DEFAULT

SECTION 5.1 EVENT OF DEFAULT DEFINED; ACCELERATION OF MATURITY; WAIVER OF DEFAULT. In case one or more of the following Events of Default (unless it is either inapplicable to a particular Series or it is specifically deleted from or modified in the instrument establishing such Series and the form of Security for such Series) shall have occurred and be continuing with respect to any Series of Securities, that is to say:

(a) default in the payment of any installment of interest upon any Security of such Series as and when the same shall become due and payable, and continuance of such default for a period of 30 days; or

(b) default in the payment of the principal of the Securities of such Series as and when the same shall become due and payable either at maturity, upon redemption (for any sinking fund payment or otherwise), by declaration or otherwise; or

(c) failure on the part of the Company duly to observe or perform any other of the covenants or agreements on the part of the Company in the Securities of such Series, or in this Indenture contained and relating to such Series, for a period of 90 days after the date on which written notice specifying such failure and requiring the Company to remedy the same and stating that such notice is a "Notice of Default" hereunder shall have been given by registered or certified mail to the Company by the Trustee for the Securities of such Series, or to the Company and the Trustee by the Holders of at least twenty-five percent in aggregate principal amount at maturity of the Securities of such Series at the time outstanding; or

(d) an Event of Default with respect to the notes is defined as:

- o default in the payment of any interest on any of the notes when due and payable, and continuance of such default for a period of 30 days;

- o default in the payment of any principal of or premium on any of the notes when due and payable either at maturity, upon any redemption, by declaration or otherwise;
- o default by the Company in the performance, or breach, of any other covenant or warranty contained in the notes or in the indenture and continuance of that default or breach for a period of 90 days after notice by the trustee or by the holders of at least 25% in principal amount of the outstanding notes;
- o a default under, or the acceleration of the maturity date of, any bond, debenture, note or other evidence of indebtedness of the Company or any Subsidiary (other than the notes), which consists of a payment default at the stated maturity thereof or results in acceleration of such indebtedness, or a default under any indenture or other instrument under which any such evidence of indebtedness has been issued or by which it is governed and the expiration of any applicable grace period specified in that evidence of indebtedness, indenture or other instrument, which consists of a payment default at the stated maturity thereof or results in acceleration of such indebtedness, if the aggregate amount of indebtedness with respect to which such payment default at the stated maturity thereof or acceleration has occurred exceeds \$35 million; and
- o certain events of bankruptcy, insolvency or reorganization; or

(e) the Company shall make an assignment for the benefit of creditors, or shall file a petition in bankruptcy; or the Company shall be adjudicated insolvent or bankrupt, or shall petition or shall apply to any court having jurisdiction in the premises for the appointment of a receiver, liquidator or sequestrator of, or for, the Company; or the Company shall commence any proceeding relating to the Company under any insolvency, reorganization, arrangement, or readjustment of debt, dissolution, winding-up, adjustment, composition or liquidation law or statute of any jurisdiction, whether now or hereafter in effect (hereinafter in this subsection (e) called "Proceeding"); or if there shall be commenced against the Company any Proceeding and an order approving the petition shall be entered, or such Proceeding shall remain undischarged for a period of 60 days; or a receiver, liquidator or sequestrator of, or for, the Company shall be appointed and shall not be discharged within a period of 60 days; or the Company by any act shall indicate consent to or approval of or acquiescence in any Proceeding or the appointment of a receiver, trustee, liquidator or sequestrator of, or for, the Company; provided that a resolution or order for winding-up the Company with a view to its consolidation, amalgamation or merger with another company or the transfer of its assets as a whole, or substantially as a whole, to such other company as provided in Section 9.1 shall not make the rights and remedies herein enforceable under this subsection (e) of Section 5.1 if such last-mentioned company shall, as a part of such consolidation, amalgamation, merger or transfer, and within 60 days from the passing of the resolution or the date of the order, comply with the conditions to that end stated in Section 9.1; or

(f) any other Event of Default provided in the Supplemental Indenture or resolution of the Board of Directors under which such Series of Securities is issued or in the form of Security for such Series;

then and in each and every such case (other than an Event of Default under clause (e) above), so long as such Event of Default with respect to such Series shall not have been remedied or waived, unless the principal of all Securities of such Series shall have already become due and payable, either the Trustee for such Series or the Holders of not less than twenty-five percent in aggregate principal amount at maturity of the Securities of such Series then Outstanding hereunder, by notice in writing to the Company (and to the Trustee if given by such Holders), may declare the principal (or, in the case of Original Issue Discount Securities, such principal amount as may be determined in accordance with the terms thereof) of all the Securities of such Series to be due and payable immediately, and upon any such declaration the same shall become and shall be immediately due and payable, anything in this Indenture or in the Securities of such Series contained to the contrary notwithstanding. With respect to an Event of Default described under clause (e) above, the principal of all Securities of such Series shall become immediately due and payable without any declaration or other act by the Trustee or the Holders. This provision, however, is subject to the condition that if at any time after the principal of the Securities of such Series (or, in the case of Original Issue Discount Securities, such principal amount as may be determined in accordance with the terms thereof) shall have been so declared due and payable, and before any judgment or decree for the payment of the moneys due shall have been obtained or entered as hereinafter provided, the Company shall pay or shall deposit with the Trustee a sum sufficient to pay in the currency in which the Securities of such Series are payable (except as otherwise provided pursuant to Section 2.3 for the Securities of such Series and except as provided in Section 2.12(b), (e) and (f) hereof) all matured installments of interest, if any, upon all the Securities of such Series and the principal of any and all Securities of such Series which shall have become due otherwise than by such acceleration (with interest upon such principal and, to the extent that payment of such interest is enforceable under applicable law, upon overdue installments of interest, at the rate borne by the Securities of such Series (or, in the case of Original Issue Discount Securities, at the yield to maturity) to the date of such payment or deposit) and in Dollars such amount as shall be sufficient to cover reasonable compensation to the Trustee, its agents, attorneys and counsel and all other expenses and liabilities incurred, and all advances made, by the Trustee, its agents, attorneys and counsel and any and all defaults under this Indenture, other than the nonpayment of the principal of Securities of such Series which shall have become due by such acceleration, shall have been remedied then and in every such case the Holders of a majority in aggregate principal amount at maturity of the Securities of such Series then Outstanding, by written notice to the Company and to the Trustee for the Securities of such Series, may waive all defaults and rescind and annul such declaration and its consequences; but no such waiver or rescission and annulment shall extend to or shall affect any subsequent default or shall impair any right consequent thereon.

SECTION 5.2 COLLECTION OF INDEBTEDNESS BY TRUSTEE; TRUSTEE MAY PROVE DEBT. The Company covenants that (a) in case default shall be made in the payment of any installment of interest on any of the Securities of any Series when such interest shall have become due and payable, and such default shall have continued for a period of 30 days or (b) in case default shall be made in the payment of all or any part of the principal of any of the Securities of any

Series when the same shall have become due and payable, whether upon maturity of the Securities of such Series or upon any redemption or by declaration or otherwise, then written upon demand of the Trustee for the Securities of such Series, the Company will pay to the Trustee for the Securities of such Series for the benefit of the Holders of the Securities of such Series the whole amount that then shall have become due and payable on all Securities of such Series for principal of or interest, as the case may be (with interest to the date of such payment upon the overdue principal and, to the extent that payment of such interest is enforceable under applicable law, on overdue installments of interest at the same rate as the rate of interest specified in the Securities of such Series); and in addition thereto, such further amount as shall be sufficient to cover the costs and expenses of collection, including reasonable compensation to the Trustee and each predecessor Trustee, their respective agents, attorneys and counsel, and any expenses and liabilities incurred, and all advances made, by the Trustee and each predecessor Trustee.

Until such demand is made by the Trustee, the Company may pay the principal of and interest on the Securities of any Series to the persons entitled thereto, whether or not the principal of and interest on the Securities of such Series are overdue.

In case the Company shall fail forthwith to pay such amounts upon such demand, the Trustee for the Securities of such Series, in its own name and as trustee of an express trust, shall be entitled and empowered to institute any action or proceedings at law or in equity for the collection of the sums so due and unpaid, and may prosecute any such action or proceedings to judgment or final decree, and may enforce any such judgment or final decree against the Company or other obligor upon such Securities and collect in the manner provided by law out of the property of the Company or other obligor upon such Securities, wherever situated, the moneys adjudged or decreed to be payable.

In case there shall be pending proceedings relative to the Company or any other obligor upon the Securities under Title 11 of the United States Code or any other applicable Federal or state bankruptcy, insolvency or other similar law, or in case a receiver, assignee or trustee in bankruptcy or reorganization, liquidator, sequestrator or similar official shall have been appointed for or taken possession of the Company or its property or such other obligor, or in case of any other comparable judicial proceedings relative to the Company or other obligor under the Securities of any Series, if any, or to the creditors or property of the Company or such other obligor, the Trustee, irrespective of whether the principal of any Securities shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether the Trustee shall have made any demand pursuant to the provisions of this Section, shall be entitled and empowered, by intervention in such proceedings or otherwise:

(a) to file and prove a claim or claims for the whole amount of principal (or, if the Securities of such Series are Original Issue Discount Securities, such portion of the principal amount as may be due and payable with respect to the Securities of such Series pursuant to a declaration in accordance with Section 5.1 hereof) and interest owing and unpaid in respect of the Securities of any Series, and to file such

other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for reasonable compensation to the Trustee and each predecessor Trustee, and their respective agents, attorneys and counsel, and for reimbursement of all expenses and liabilities incurred, and all advances made, by the Trustee and each predecessor Trustee,) and of the Securityholders allowed in any judicial proceedings relative to the Company or other obligor upon all Securities of any Series, or to the creditors or property of the Company or such other obligor,

(b) unless prohibited by applicable law and regulations, to vote on behalf of the holders of the Securities of any Series in any election of a trustee or a standby trustee in arrangement, reorganization, liquidation or other bankruptcy or insolvency proceedings or person performing similar functions in comparable proceedings, and

(c) to collect and receive any moneys or other property payable or deliverable on any such claims, and to distribute all amounts received with respect to the claims of the Securityholders and of the Trustee on their behalf; and any trustee, receiver, or liquidator, custodian or other similar official is hereby authorized by each of the Holders to make payments to the Trustee for the Securities of such Series, and, in the event that such Trustee shall consent to the making of payments directly to the Securityholders, to pay to such Trustee such amounts as shall be sufficient to cover reasonable compensation to such Trustee, each predecessor Trustee and their respective agents, attorneys and counsel, and all other expenses and liabilities incurred, and all advances made, by such Trustee and each predecessor Trustee and all other amounts due to such Trustee or any predecessor Trustee pursuant to Section 6.6.

Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or vote for or accept or adopt on behalf of any Securityholder any plan of reorganization, arrangement, adjustment or composition affecting the Securities of any Series or the rights of any Holder thereof, or to authorize the Trustee to vote in respect of the claim of any Securityholder in any such proceeding except, as aforesaid, to vote for the election of a trustee in bankruptcy or similar person.

All rights of action and of asserting claims under this Indenture, or under any of the Securities, may be enforced by the Trustee for the Securities of such Series without the possession of any of the Securities of such Series or the production thereof at any trial or other proceedings relative thereto, and any such action or proceedings instituted by the Trustee shall be brought in its own name as trustee of an express trust, and any recovery of judgment, subject to the payment of the expenses, disbursements and compensation of the Trustee, each predecessor Trustee and their respective agents and attorneys, shall be for the ratable benefit of the Holders of the Securities in respect of which such action was taken.

In any proceedings brought by the Trustee for the Securities of such Series (and also any proceedings involving the interpretation of any provision of this Indenture to which the Trustee shall be a party), the Trustee shall be held to represent all the Holders of the Securities in respect to which such action was taken, and it shall not be necessary to make any Holders of such Securities parties to any such proceedings.

SECTION 5.3 APPLICATION OF PROCEEDS. Any moneys collected by the Trustee for the Securities of such Series pursuant to this Article in respect of the Securities of any Series shall be applied in the following order at the date or dates fixed by such Trustee and, in case of the distribution of such moneys on account of principal or interest, upon presentation of the several Securities in respect of which moneys have been collected and stamping (or otherwise noting) thereon the payment, or issuing Securities of such Series in reduced principal amounts in exchange for the presented Securities of like Series if only partially paid, or upon surrender thereof if fully paid:

FIRST: To the payment of costs and expenses applicable to such Series in respect of which moneys have been collected, including reasonable compensation to the Trustee and each predecessor Trustee and their respective agents and attorneys and of all expenses and liabilities incurred, and all advances made, by the Trustee and each predecessor Trustee and all other amounts due to the Trustee or any predecessor Trustee pursuant to Section 6.6;

SECOND: In case the principal of the Securities of such Series in respect of which moneys have been collected shall not have become and be then due and payable, to the payment of interest on the Securities of such Series in default in the order of the maturity of the installments of such interest, with interest (to the extent that such interest has been collected by the Trustee) upon the overdue installments of interest at the same rate as the rate of interest specified in such Securities, such payments to be made ratably to the persons entitled thereto, without discrimination or preference;

THIRD: In case the principal of the Securities of such Series in respect of which moneys have been collected shall have become and shall be then due and payable, to the payment of the whole amount then owing and unpaid upon all the Securities of such Series for principal and interest, with interest upon the overdue principal, and (to the extent that payment of such interest is permissible by law and that such interest has been collected by the Trustee) upon overdue installments of interest at the same rate as the rate of interest specified in the Securities of such Series; and in case such moneys shall be insufficient to pay in full the whole amount so due and unpaid upon the Securities of such Series, then to the payment of such principal and interest without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Security of such Series over any other Security of such Series, ratably to the aggregate of such principal and accrued and unpaid interest; and

FOURTH: To the payment of the remainder, if any, to the Company or any other person lawfully entitled thereto.

SECTION 5.4 SUITS FOR ENFORCEMENT. In case an Event of Default has occurred, has not been waived and is continuing, the Trustee may in its discretion proceed to protect and enforce the rights vested in it by this Indenture by such appropriate judicial proceedings as the Trustee shall deem most effectual to protect and enforce any of such rights, either at law or in

equity or in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Indenture or in aid of the exercise of any power granted in this Indenture or to enforce any other legal or equitable right vested in the Trustee by this Indenture or by law.

SECTION 5.5 RESTORATION OF RIGHTS ON ABANDONMENT OF PROCEEDINGS. In case the Trustee for the Securities of any Series shall have proceeded to enforce any right under this Indenture and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee, then and in every such case the Company and the Trustee shall be restored respectively to their former positions and rights hereunder, and all rights, remedies and powers of the Company, the Trustee and the Securityholders shall continue as though no such proceedings had been taken.

SECTION 5.6 LIMITATIONS ON SUITS BY SECURITYHOLDERS. No Holder of any Security of any Series shall have any right by virtue or by availing of any provision of this Indenture to institute any action or proceeding at law or in equity or in bankruptcy or otherwise upon or under or with respect to this Indenture, or for the appointment of a trustee, receiver, liquidator, custodian or other similar official or for any other remedy hereunder, unless such Holder previously shall have given to the Trustee written notice of default and of the continuance thereof, as hereinbefore provided, and unless also the Holders of not less than 25% in aggregate principal amount of the Securities of such Series then Outstanding shall have made written request upon the Trustee to institute such action or proceedings in its own name as trustee hereunder and shall have offered to the Trustee such reasonable indemnity, as it may require against the costs, expenses and liabilities to be incurred therein or thereby and the Trustee for 60 days after its receipt of such notice, request and offer of indemnity shall have failed to institute any such action or proceeding and no direction inconsistent with such written request shall have been given to the Trustee pursuant to Section 5.9; it being understood and intended, and being expressly covenanted by the taker and Holder of every Security with every other taker and Holder of a Security and the Trustee, that no one or more Holders of Securities of any Series shall have any right in any manner whatever, by virtue or by availing of any provision of this Indenture to affect, disturb or prejudice the rights of any other such Holder of Securities or to obtain or seek to obtain priority over or preference to any other such Holder or to enforce any right under this Indenture, except in the manner herein provided and for the equal, ratable and common benefit of all Holders of Securities of the applicable Series. For the protection and enforcement of the provisions of this Section, each and every Securityholder and the Trustee shall be entitled to such relief as can be given either at law or in equity.

SECTION 5.7 UNCONDITIONAL RIGHT OF SECURITYHOLDERS TO INSTITUTE CERTAIN SUITS. Notwithstanding any provision in this Indenture and any provision of any Security, the right of any Holder of any Security to receive payment of the principal of and interest on such Security at the respective rates, in the respective amount and in the currency therein prescribed on or after the respective due dates expressed in such Security, or to institute suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of such Holder.

SECTION 5.8 POWERS AND REMEDIES CUMULATIVE; DELAY OR OMISSION NOT WAIVER OF DEFAULT. Except as provided in Section 5.6, no right or remedy herein conferred upon or reserved to the Trustee or to the Securityholders 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.

No delay or omission of the Trustee or of any Securityholder to exercise any right or power accruing upon any Event of Default occurring and continuing as aforesaid shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or an acquiescence therein; and, subject to Section 5.6, every power and remedy given by this Indenture or by law to the Trustee, to the Securityholders may be exercised from time to time, and as often as shall be deemed expedient, by the Trustee or the Securityholders.

SECTION 5.9 CONTROL BY SECURITYHOLDERS. The Holders of a majority in aggregate principal amount of the Securities of each Series affected (with each Series treated as a separate class) at the time Outstanding 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 with respect to the Securities of such Series by this Indenture; provided that such direction shall not be otherwise than in accordance with law and the provisions of this Indenture and provided further that (subject to the provisions of Section 6.1) the Trustee shall have the right to decline to follow any such direction if the Trustee, being advised by counsel, shall determine that the action or proceeding so directed may not lawfully be taken or if the Trustee in good faith by its board of directors, the executive committee, or a trust committee of directors or Responsible Officers of the Trustee shall determine that the action or proceedings so directed would involve the Trustee in personal liability or if the Trustee in good faith shall so determine that the actions or forbearances specified in or pursuant to such direction would be unduly prejudicial to the interests of Holders of the Securities of all Series so affected not joining in the giving of said direction, it being understood that (subject to Section 6.1) the Trustee shall have no duty to ascertain whether or not such actions or forbearances are unduly prejudicial to such Holders.

Nothing in this Indenture shall impair the right of the Trustee in its discretion to take any action deemed proper by the Trustee and which is not inconsistent with such direction or directions by Securityholders.

SECTION 5.10 WAIVER OF PAST DEFAULTS. Prior to the declaration of the acceleration of the maturity of the Securities of any Series as provided in Section 5.1, the Holders of a majority in aggregate principal amount of the Securities of such Series at the time Outstanding may on behalf of the Holders of all the Securities of such Series waive any past default hereunder or its consequences, except a default in the payment of the principal of or interest on any of the Securities of such Series. In the case of any such waiver, the Company, the Trustee, the Holders of the Securities of such Series shall be restored to their former positions and rights hereunder, respectively; but no

such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

Upon any such waiver, such default shall cease to exist and be deemed to have been cured and not to have occurred, and any Event of Default arising therefrom shall be deemed to have been cured and not to have occurred for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other default or Event of Default or impair any right consequent thereon.

SECTION 5.11 TRUSTEE TO GIVE NOTICE OF DEFAULT, BUT MAY WITHHOLD IN CERTAIN CIRCUMSTANCES. The Trustee shall transmit to the Securityholders of any Series notice in the manner and to the extent provided in Section 11.4, of all defaults known to the Trustee which have occurred with respect to such Series, such notice to be transmitted within 90 days after the occurrence thereof, unless such defaults shall have been cured before the giving of such notice (the term "default" or "defaults" for the purposes of this Section being hereby defined to mean any event or condition which is, or with notice or lapse of time or both would become, an Event of Default); PROVIDED that, except in the case of default in the payment of the principal of or interest on any of the Securities of such Series or any default in the payment of any sinking fund installment or analogous obligation in respect of any of the Securities of such Series, the Trustee shall be protected in withholding such notice if and so long as the board of directors, the executive committee, or a trust committee of directors or trustees or Responsible Officers of the Trustee in good faith determines that the withholding of such notice is in the interests of the Securityholders of such Series.

SECTION 5.12 RIGHT OF COURT TO REQUIRE FILING OF UNDERTAKING TO PAY COSTS. All parties to this Indenture agree, and each Holder of any Security, by his acceptance thereof, shall be deemed to have agreed, that any court may in its discretion require, 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, the filing by any party litigant in such suit of an undertaking to pay the costs of such suit, and that such court may in its discretion assess reasonable costs, including reasonable attorneys' fees and expenses, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant; but the provisions of this Section shall not apply to any suit instituted by the Trustee, to any suit instituted by any Securityholder or group of Securityholders of any Series holding in the aggregate more than 10% in aggregate principal amount of the Securities of such Series, or, in the case of any suit relating to or arising under clause (d) of Section 5.1 (if the suit relates to Securities of more than one but less than all Series), 10% in aggregate principal amount of Securities Outstanding affected thereby, or in the case of any suit relating to or arising under clause (d) (if the suit under clause (d) relates to all the Securities then Outstanding), (e), (f) or (g) of Section 5.1, 10% in aggregate principal amount of all Securities Outstanding, or to any suit instituted by any Securityholder for the enforcement of the payment of the principal of or interest on any Security on or after the due date expressed in such Security.

SECTION 5.13 ACTIONS OF A HOLDER. For the purpose of providing any consent, waiver or instruction to the Company or the Trustee, a "Holder" or a

"Holder of Securities" or "Security Holder" or other similar term shall include a Person who provides to the Company or the Trustee, as the case may be, an affidavit of beneficial ownership of a Security together with satisfactory indemnity against any loss, liability or expense to such party to the extent that it acts upon such affidavit of beneficial ownership (including any consent, waiver or instruction given by a Person providing such affidavit and indemnity).

ARTICLE SIX

CONCERNING THE TRUSTEE

SECTION 6.1 DUTIES AND RESPONSIBILITIES OF THE TRUSTEE; DURING DEFAULT; PRIOR TO DEFAULT. With respect to the Holders of any Series of Securities issued hereunder, the Trustee, prior to the occurrence of an Event of Default with respect to the Securities of a particular Series and after the curing or waiving of all Events of Default which may have occurred with respect to such Series, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture. In case an Event of Default with respect to the Securities of a Series has occurred (which has not been cured or waived) of which a Responsible Officer has actual knowledge, the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

No provision of this Indenture shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act or its own willful misconduct, except that:

(a) prior to the occurrence of an Event of Default with respect to the Securities of any Series and after the curing or waiving of all such Events of Default with respect to such Series which may have occurred:

(i) the duties and obligations of the Trustee with respect to the Securities of any Series shall be determined solely by the express provisions of this Indenture, and the Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Indenture, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(ii) in the absence of bad faith on the part of the Trustee, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon any statements, certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture; but in the case of any such statements, certificates or opinions which by any provision hereof are specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Indenture;

(b) the Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer or Responsible Officers of the Trustee, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts; and

(c) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Holders pursuant to Section 5.9 relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture.

None of the provisions contained in this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur personal financial liability in the performance of any of its duties or in the exercise of any of its rights or powers, if there shall be reasonable ground for believing that the repayment of such funds or adequate indemnity against such 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 conditions of this Section 6.1.

SECTION 6.2 CERTAIN RIGHTS OF THE TRUSTEE. Subject to Section 6.1:

(a) the Trustee may conclusively rely and shall be protected in acting or refraining from acting upon any resolution, Officers' Certificate or any other certificate, statement, instrument, opinion, report, notice, request, consent, order, bond, debenture, note, security 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, direction, order or demand of the Company mentioned herein shall be sufficiently evidenced by an Officers' Certificate (unless other evidence in respect thereof be herein specifically prescribed); and any resolution of the Board of Directors may be evidenced to the Trustee by a copy thereof certified by the secretary or any assistant secretary of the Company;

(c) the Trustee may consult with counsel of its selection and any advice or Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted to be taken by it hereunder in good faith and in accordance with such advice or Opinion of Counsel;

(d) the Trustee shall be under no obligation to exercise any of the trusts or powers vested in it by this Indenture at the request, order or direction of any of the Securityholders pursuant to the provisions of this Indenture, unless such Securityholders shall have offered to the Trustee security or indemnity satisfactory to it against the costs, expenses and liabilities which might be incurred therein or thereby;

(e) the Trustee shall not be liable for any action taken or omitted by it in good faith and believed by it to be authorized or within the discretion, rights or powers conferred upon it by this Indenture;

(f) prior to the occurrence of any Event of Default hereunder and after the curing or waiving of all Events of Default, 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, consent, order, approval, appraisal, bond, debenture, note, security, or other paper or document unless requested in writing to do so by the Holders of not less than a majority in aggregate principal amount of the Securities of all Series affected then Outstanding; PROVIDED that, if the payment within a reasonable time to the Trustee of the costs, expenses or liabilities likely to be incurred by it in the making of such investigation is, in the opinion of the Trustee, not reasonably assured to the Trustee by the security afforded to it by the terms of this Indenture, the Trustee may require reasonable indemnity against such expenses or liabilities as a condition to proceeding;

(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 not regularly in its employ and the Trustee shall not be responsible for any misconduct or negligence on the part of any such agent or attorney appointed with due care by it hereunder;

(h) the Trustee shall not be deemed to have notice of any Default or Event of Default (other than any Event of Default under Section 5.1(a) or 5.1(b)) unless a Responsible Officer of the Trustee has actual knowledge thereof or unless written notice of such Default or Event of Default is received by the Trustee at the Corporate Trust Office of the Trustee;

(i) the rights, privileges, protections, immunities and benefits given to the Trustee, including, without limitation, its right to be indemnified, are extended to, and shall be enforceable by, the Trustee in each of its capacities hereunder, and each agent, custodian and other Person employed by it to act hereunder; and

(ii) the Trustee may request that the Company deliver an Officers' Certificate setting forth the names of individuals and/or titles of officers authorized at such time to take specified actions pursuant to this Indenture, which Officers' Certificate may be signed by and person authorized to sign an Officers' Certificate, including any person specified as so authorized in any such certificate previously delivered and not superseded.

SECTION 6.3 TRUSTEE NOT RESPONSIBLE FOR RECITALS, DISPOSITION OF SECURITIES OR APPLICATION OF PROCEEDS THEREOF. The recitals contained herein and in the Securities, except the Trustee's certificate of authentication, shall be taken as the statements of the Company, and the Trustee assumes no responsibility for the correctness of the same. The Trustee makes no representation as to the validity or sufficiency of this Indenture or of the Securities. The Trustee represents that it is duly authorized to execute and deliver this Indenture and perform its obligations hereunder. The Trustee shall

not be accountable for the use or application by the Company of any of the Securities or of the proceeds thereof.

SECTION 6.4 TRUSTEE AND AGENTS MAY HOLD SECURITIES; COLLECTIONS, ETC. The Trustee, any Paying Agent, Security registrar, or any agent of the Company or the Trustee, in its individual or any other capacity, may become the owner or pledgee of Securities with the same rights it would have if it were not the Trustee or such agent and, subject to Sections 6.8 and 6.13, if operative, may otherwise deal with the Company and receive, collect, hold and retain collections from the Company with the same rights it would have if it were not the Trustee or such agent.

SECTION 6.5 MONEYS HELD BY TRUSTEE. Subject to the provisions of Section 10.4 hereof, all moneys received by the Trustee shall, until used or applied as herein provided, be held in trust for the purposes for which they were received, but need not be segregated from other funds except to the extent required by mandatory provisions of law. Neither the Trustee nor any agent of the Company or the Trustee shall be under any liability for interest on any moneys received by it hereunder.

SECTION 6.6 COMPENSATION AND INDEMNIFICATION OF TRUSTEE AND ITS PRIOR CLAIM. The Company covenants and agrees to pay to the Trustee from time to time, and the Trustee shall be entitled to, such reasonable compensation as shall be agreed in writing between the Company and the Trustee in Dollars (which shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust) and the Company covenants and agrees to pay or reimburse the Trustee and each predecessor Trustee upon its request in Dollars for all reasonable expenses, disbursements and advances incurred or made by or on behalf of it in accordance with any of the provisions of this Indenture (including the reasonable compensation and the expenses and disbursements of its counsel and of all agents and other persons not regularly in its employ) except any such expense, disbursement or advance as may arise from its negligence or bad faith. The Company also covenants to indemnify the Trustee (either acting as Trustee or in any other capacity hereunder, such as Paying Agent or Registrar) and each predecessor Trustee for, and to hold it harmless against, any and all loss, liability, damage, claim or expense, including taxes (other than taxes based on the income of the Trustee), incurred without negligence or bad faith on its part, arising out of or in connection with the acceptance or administration of this Indenture or the trusts hereunder and its duties hereunder, including the costs and expenses of defending itself against or investigating any claim (whether asserted by the Company, a Holder or any other Person) of liability in the premises. The Trustee shall notify the Company promptly of any claim for which it may seek indemnity. The Company may choose to defend the claim and the Trustee shall cooperate in the defense. The Trustee may have separate counsel and the Company shall pay the reasonable fees and expenses of such counsel. The Company need not pay for any settlement made without its consent, with consent shall not unreasonably be withheld. The obligations of the Company under this Section to compensate and indemnify the Trustee and each predecessor Trustee and to pay or reimburse the Trustee and each predecessor Trustee for expenses, disbursements and advances shall constitute additional indebtedness hereunder and shall survive the satisfaction and discharge of this Indenture. Such additional indebtedness shall be a senior claim to that of the Securities upon

all property and funds held or collected by the Trustee as such, except funds held in trust for the benefit of the Holders of particular Securities, and the Securities are hereby subordinated to such senior claim.

When the Trustee incurs expenses or renders services in connection with an Event of Default specified in Section 5.1(d), the expenses (including the reasonable charges and expenses of its counsel) and the compensation for the services are intended to constitute expenses of administration under any applicable Federal or state bankruptcy, insolvency or other similar law.

SECTION 6.7 RIGHT OF TRUSTEE TO RELY ON OFFICERS' CERTIFICATE, ETC. Subject to Sections 6.1 and 6.2, whenever in the administration of the trusts of this Indenture the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering or omitting any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of negligence or bad faith on the part of the Trustee, be deemed to be conclusively proved and established by an Officers' Certificate complying with Section 11.5 delivered to the Trustee, and such certificate, in the absence of negligence or bad faith on the part of the Trustee, shall be full warrant to the Trustee for any action taken, suffered or omitted by it or under the provisions of this Indenture upon the faith thereof.

SECTION 6.8 DISQUALIFICATION OF TRUSTEE; CONFLICTING INTERESTS. If the Trustee for the Securities of any Series has or shall acquire any conflicting interest, as defined in the Trust Indenture Act, it shall, within 90 days after ascertaining that it has such conflicting interest, and if the default (as defined in the Trust Indenture Act) to which such conflicting interest relates has not been cured or waived or otherwise eliminated before the end of such 90-day period, the Trustee shall, either eliminate such conflicting interest or resign in the manner and with the effect specified in the Trust Indenture Act and this Indenture.

SECTION 6.9 PERSONS ELIGIBLE FOR APPOINTMENT AS TRUSTEE. The Trustee for each Series of Securities hereunder shall at all times be a corporation organized and doing business under the laws of the United States of America or of any State or the District of Columbia having a combined capital and surplus of at least \$50,000,000, and which is authorized under such laws to exercise corporate trust powers and is subject to supervision or examination by Federal, State or District of Columbia authority. If such corporation publishes reports of condition at least annually, pursuant to law or to the requirements of the aforesaid supervising or examining authority, then for the purposes of this Section, the combined capital and surplus of such corporation shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. In case at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section, the Trustee shall resign immediately in the manner and with the effect specified in Section 6.10.

SECTION 6.10 RESIGNATION AND REMOVAL; APPOINTMENT OF SUCCESSOR TRUSTEE.
(a) The Trustee, or any trustee or trustees hereafter appointed, may at any time resign with respect to one or more or all Series of Securities by giving written notice of resignation to the Company and by mailing notice thereof to the Holders in the manner and to the extent provided in Section 11.4. Upon receiving such notice of resignation, the Company shall promptly appoint a successor trustee or trustees with respect to the applicable Series by written instrument in duplicate, executed by authority of the Board of Directors, one copy of which instrument shall be delivered to the resigning Trustee and one copy to the

successor trustee or trustees. If no successor trustee shall have been so appointed with respect to any Series and have accepted appointment within 30 days after the mailing of such notice of resignation, the resigning trustee may petition, at the expense of the Company, any court of competent jurisdiction for the appointment of a successor trustee, or any Securityholder who has been a bona fide Holder of a Security or Securities of the applicable Series for at least six months may, subject to the provisions of Section 5.12, on behalf of himself and all others similarly situated, petition any such court for the appointment of a successor trustee. Such court may thereupon, after such notice, if any, as it may deem proper and prescribe, appoint a successor trustee.

(b) In case at any time any of the following shall occur:

(i) the Trustee shall fail to comply with the provisions of Section 6.8 with respect to any Series of Securities after written request therefor by the Company or by any Securityholder who has been a bona fide Holder of a Security or Securities of such Series for at least six months unless the Trustee's duty to resign is stayed in accordance with the provisions of Section 310(b) of the Trust Indenture Act; or

(ii) the Trustee shall cease to be eligible in accordance with the provisions of Section 6.9 and shall fail to resign after written request therefor by the Company or by any Securityholder; or

(iii) the Trustee shall become incapable of acting with respect to any Series of the Securities, or shall be adjudged a bankrupt or insolvent, or a receiver or liquidator 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, the Company may remove the Trustee with respect to the applicable Series of Securities and appoint a successor trustee for such Series by written instrument, in duplicate, executed by order of the Board of Directors of the Company, one copy of which instrument shall be delivered to the Trustee so removed and one copy to the successor trustee, or, subject to the provisions of Section 5.12, any Securityholder who has been a bona fide Holder of a Security or Securities of such Series 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 with respect to such Series. Such court may thereupon, after such notice, if any, as it may deem proper and prescribe, remove the Trustee and appoint a successor trustee.

(c) The Holders of a majority in aggregate principal amount of the Securities of each Series at the time Outstanding may at any time remove the Trustee with respect to Securities of such Series and appoint a successor trustee with respect to the Securities of such Series by delivering to the Trustee so removed, to the successor trustee so appointed and to the Company the evidence provided for in Section 7.1 of the action in that regard taken by the Securityholders.

If no successor Trustee shall have been appointed with respect to such series within 30 days after the mailing of such notice of removal, the Trustee being removed may petition, at the expense of the Company, any court of competent jurisdiction for the appointment of a successor Trustee with respect to the Securities of such series.

(d) Any resignation or removal of the Trustee with respect to any Series and any appointment of a successor trustee with respect to such Series pursuant to any of the provisions of this Section 6.10 shall become effective upon acceptance of appointment by the successor trustee as provided in Section 6.11.

SECTION 6.11 ACCEPTANCE OF APPOINTMENT BY SUCCESSOR TRUSTEE. Any successor trustee appointed as provided in Section 6.10 shall execute and deliver to the Company and to its predecessor Trustee an instrument accepting such appointment hereunder, and thereupon the resignation or removal of the predecessor Trustee with respect to all or any applicable Series shall become effective and such successor trustee, without any further act, deed or conveyance, shall become vested with all rights, powers, duties and obligations with respect to such Series of its predecessor hereunder, with like effect as if originally named as trustee for such Series hereunder; but, nevertheless, on the written request of the Company or of the successor trustee, upon payment of its charges then unpaid, the trustee ceasing to act shall, subject to Section 10.4, pay over to the successor trustee all moneys at the time held by it hereunder and shall execute and deliver an instrument transferring to such successor trustee all such rights, powers, duties and obligations. Upon request of any such successor trustee, the Company shall execute any and all instruments in writing for more fully and certainly vesting in and confirming to such successor trustee all such rights and powers. Any trustee ceasing to act shall, nevertheless, retain a prior claim upon all property or funds held or collected by such trustee to secure any amounts then due it pursuant to the provisions of Section 6.6.

If a successor trustee is appointed with respect to the Securities of one or more (but not all) Series, the Company, the predecessor Trustee and each successor trustee with respect to the Securities of any applicable Series shall execute and deliver an indenture supplemental hereto which shall contain such provisions as shall be deemed necessary or desirable to confirm that all the rights, powers, trusts and duties of the predecessor Trustee with respect to the Securities of any Series as to which the predecessor Trustee is not retiring shall continue to be vested in the predecessor Trustee, and shall add to or change any of the provisions of this Indenture as shall be necessary to provide for or facilitate the administration of the trusts hereunder by more than one trustee, it being understood that nothing herein or in such supplemental indenture shall constitute such trustees co-trustees of the same trust and that each such trustee shall be trustee of a trust or trusts under separate indentures.

No successor trustee with respect to any Series of Securities shall accept appointment as provided in this Section 6.11 unless at the time of such acceptance such successor trustee shall be qualified under the provisions of Section 6.8 and eligible under the provisions of Section 6.9.

Upon acceptance of appointment by any successor trustee as provided in this Section 6.11, the Company shall give notice in the manner and to the extent

provided in Section 11.4 to the Holders of Securities of any Series for which such successor trustee is acting as trustee at their last addresses as they shall appear in the Security register. If the acceptance of appointment is substantially contemporaneous with the resignation, then the notice called for by the preceding sentence may be combined with the notice called for by Section 6.10. If the Company fails to mail such notice within ten days after acceptance of appointment by the successor trustee, the successor trustee shall cause such notice to be mailed at the expense of the Company.

SECTION 6.12 MERGER, CONVERSION, CONSOLIDATION OR SUCCESSION TO BUSINESS OF TRUSTEE. 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 that such corporation shall be qualified under the provisions of Section 6.8 and eligible under the provisions of Section 6.9, without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

In case at the time such successor to the Trustee shall succeed to the trusts created by this Indenture any of the Securities of any Series shall have been authenticated but not delivered, any such successor to the Trustee may adopt the certificate of authentication of any predecessor Trustee and deliver such Securities so authenticated; and, in case at that time any of the Securities of any Series shall not have been authenticated, any successor to the Trustee may authenticate such Securities either in the name of any predecessor Trustee hereunder or in the name of the successor Trustee; and in all such cases such certificates shall have the full force which it is anywhere in the Securities of such Series or in this Indenture provided that the certificate of the Trustee shall have; PROVIDED, that the right to adopt the certificate of authentication of any predecessor Trustee or to authenticate Securities of any Series in the name of any predecessor Trustee shall apply only to its successor or successors by merger, conversion or consolidation.

SECTION 6.13 PREFERENTIAL COLLECTION OF CLAIMS AGAINST THE 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

CONCERNING THE SECURITYHOLDERS

SECTION 7.1 EVIDENCE OF ACTION TAKEN BY SECURITYHOLDERS.

(a) Any request, demand, authorization, direction, notice, consent, waiver or other action provided by this Indenture to be given or taken by a specified percentage in principal amount of the Securityholders of any or all Series may be embodied in and evidenced by one or more instruments of substantially similar tenor signed by such specified percentage of Securityholders 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. Proof of execution of any instrument or of a writing appointing any such agent shall be sufficient for any purpose of this Indenture and (subject to Sections 6.1 and 6.2) conclusive in favor of the Trustee and the Company, if made in the manner provided in this Article.

(b) The ownership of Registered Securities shall be proved by the Security register.

(c) The amount of Unregistered Securities held by any Person executing any instrument or writing as a Securityholder, the numbers of such Unregistered Securities, and the date of his holding the same may be proved by the production of such Securities or by a certificate executed by any trust company, bank, broker or member of a national securities exchange (wherever situated), as depository, if such certificate is in form satisfactory to the Trustee, showing that at the date therein mentioned such Person had on deposit with such depository, or exhibited to it, the Unregistered Securities therein described; or such facts may be proved by the certificate or affidavit of the Person executing such instrument or writing as a Securityholder, if such certificate or affidavit is in form satisfactory to the Trustee. The Trustee and the Company may assume that such ownership of any Unregistered Security continues until (i) another certificate or affidavit bearing a later date issued in respect of the same Unregistered Security is produced, or (ii) such Unregistered Security is produced by some other person, or (iii) such Unregistered Security is surrendered in exchange for a Registered Security, or (iv) such Unregistered Security has been cancelled in accordance with Section 2.10.

SECTION 7.2 PROOF OF EXECUTION OF INSTRUMENTS. Subject to Sections 6.1 and 6.2, the execution of any instrument by a Securityholder or his agent or proxy may be proved in accordance with such reasonable rules and regulations as may be prescribed by the Trustee or in such manner as shall be satisfactory to the Trustee.

SECTION 7.3 HOLDERS TO BE TREATED AS OWNERS. The Company, the Trustee and any agent of the Company or the Trustee may deem and treat the person in whose name any Security shall be registered upon the Security register for such Series as the absolute owner of such Security (whether or not such Security shall be overdue and notwithstanding any notation of ownership or other writing thereon) for the purpose of receiving payment of or on account of the principal of and interest on such Security and for all other purposes; and neither the Company nor the Trustee nor any agent of the Company or the Trustee shall be affected by any notice to the contrary. All such payments so made to any such person, or upon his order, shall be valid, and, to the extent of the sum or sums so paid, effectual to satisfy and discharge the liability for moneys payable upon any such Security.

SECTION 7.4 SECURITIES OWNED BY COMPANY DEEMED NOT OUTSTANDING. In determining whether the Holders of the requisite aggregate principal amount of Outstanding Securities of any or all Series have concurred in any direction, consent or waiver under this Indenture or whether a quorum is present at a meeting of Holders of Securities, Securities which are owned by the Company or any other obligor on the Securities with respect to which such determination is being made or by any person directly or indirectly controlling or controlled by or under direct or indirect common control with the Company or any other obligor

on the Securities with respect to which such determination is being made shall be disregarded and deemed not to be Outstanding for the purpose of any such determination, except that for the purpose of determining whether the Trustee shall be protected in relying on any such direction, consent or waiver, and for purposes of determining the presence of a quorum, only Securities which a Responsible Officer of the Trustee actually knows are 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 person directly or indirectly controlling or controlled by or under direct or indirect common control with the Company or any other obligor on the Securities. In case of a dispute as to such right, the advice of counsel shall be full protection in respect of any decision made by the Trustee in accordance with such advice. Upon request of the Trustee, the Company shall furnish to the Trustee promptly an Officers' Certificate listing and identifying all Securities, if any, known by the Company to be owned or held by or for the account of any of the above-described persons; and, subject to Sections 6.1 and 6.2, the Trustee shall be entitled to accept such Officers' Certificate as conclusive evidence of the facts therein set forth and of the fact that all Securities not listed therein are Outstanding for the purpose of any such determination.

SECTION 7.5 RIGHT OF REVOCATION OF ACTION TAKEN. At any time prior to (but not after) the evidencing to the Trustee, as provided in Section 7.1, of the taking of any action by the Holders of the percentage in aggregate principal amount of the Securities of any or all Series, as the case may be, specified in this Indenture in connection with such action, any Holder of a Security the serial number of which is shown by the evidence to be included among the serial numbers of the Securities the Holders of which have consented to such action may, by filing written notice at the corporate trust office and upon proof of holding as provided in this Article, revoke such action so far as concerns such Security. Except as aforesaid any such action taken by the Holder of any Security shall be conclusive and binding upon such Holder and upon all future Holders and owners of such Security and of any Securities issued in exchange or substitution therefor, irrespective of whether or not any notation in regard thereto is made upon any such Security. Any action taken by the Holders of the percentage in aggregate principal amount of the Securities of any or all Series, as the case may be, specified in this Indenture in connection with such action shall be conclusively binding upon the Company, the Trustee and the Holders of all the Securities affected by such action.

SECTION 7.6 RECORD DATE FOR DETERMINATION OF HOLDERS ENTITLED TO VOTE. The Company may, in the circumstances permitted by the Trust Indenture Act, set a record date for the purpose of determining the Securityholders 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 Securityholders. If not set by the Company prior to the first solicitation of a Securityholder 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 4.1) 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 appointed proxies) shall be entitled to give or take, or vote on, the relevant action.

ARTICLE EIGHT

SUPPLEMENTAL INDENTURES

SECTION 8.1 SUPPLEMENTAL INDENTURES WITHOUT CONSENT OF SECURITYHOLDERS.

The Company, when authorized by a resolution of its Board of Directors, and the Trustee for the Securities of any and all Series may from time to time and at any time enter into an indenture or indentures supplemental hereto (which shall conform to the provisions of the Trust Indenture Act of 1939 as in force at the date of the execution thereof), in form satisfactory to such Trustee, for one or more of the following purposes:

(a) to convey, transfer, assign, mortgage or pledge to the Trustee as security for the Securities of one or more Series any property or assets;

(b) to evidence the succession of another corporation to the Company, or successive successions, and the assumption by the successor corporation of the covenants, agreements and obligations of the Company pursuant to Article Nine;

(c) to add to the covenants of the Company such further covenants, restrictions, conditions or provisions as its Board of Directors and the Trustee shall consider to be for the protection of the Holders of Securities of any or all Series and, if such additional covenants are to be for the benefit of less than all the Series of Securities stating that such covenants are being added solely for the benefit of such Series, and to make the occurrence, or the occurrence and continuance, of a default in any such additional covenants, restrictions, conditions or provisions an Event of Default permitting the enforcement of all or any of the several remedies provided in this Indenture as herein set forth (and if such additional Events of Default are to be for the benefit of less than all Series of the Securities stating that such Events of Default are being added solely for the benefit of such Series); PROVIDED, that in respect of any such additional covenant, restriction, condition or provision such supplemental indenture may provide for a particular period of grace after default (which period may be shorter or longer than that allowed in the case of other defaults) or may provide for an immediate enforcement upon such an Event of Default or may limit the remedies available to the Trustee upon such an Event of Default or may limit the right of the Holders of a majority in aggregate principal amount of the Securities of such Series to waive such an Event of Default;

(d) to cure any ambiguity or to correct or supplement any provision contained herein or in any supplemental indenture which may be defective or inconsistent with any other provision contained herein or in any supplemental indenture; or to make such other provisions in regard to matters or questions arising under this Indenture or under any supplemental indenture as the Board of Directors may deem necessary or desirable and which shall not materially and adversely affect the interests of the Holders of the Securities;

(e) publish the form or terms of Securities of any Series as permitted by Sections 2.1 and 2.3; or

(f) to evidence and provide for the acceptance of appointment hereunder by a successor Trustee with respect to the Securities of one or more Series and to add to or change any of the provisions of this Indenture as shall be necessary to provide for or facilitate the administration of the trusts hereunder by more than the one Trustee, pursuant to the requirements of Section 6.11.

The Trustee is hereby authorized to join with the Company in the execution of any such supplemental indenture, to make any further appropriate agreements and stipulations which may be therein contained and to accept the conveyance, transfer, assignment, mortgage or pledge of any property thereunder, but the Trustee 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.

Any supplemental indenture authorized by the provisions of this Section may be executed without the consent of the Holders of any of the Securities at the time Outstanding, notwithstanding any of the provisions of Section 8.2.

SECTION 8.2 SUPPLEMENTAL INDENTURES WITH CONSENT OF SECURITYHOLDERS.

With the consent (evidenced as provided in Article Seven) of the Holders of not less than a majority in aggregate principal amount of the Securities at the time Outstanding of each Series affected by such supplemental indenture (treated as one class), the Company, when authorized by a resolution of its Board of Directors, and the Trustee for such Series of Securities may, from time to time and at any time, enter into an indenture or indentures supplemental hereto (which shall conform to the provisions of the Trust Indenture Act of 1939 as in force at the date of execution thereof) for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Indenture or of any supplemental indenture or of modifying in any manner the rights of the Holders of the Securities of each such Series; provided, that no such supplemental indenture shall (a) extend the final maturity of any Security, or reduce the principal amount thereof or any premium thereon, or reduce the rate or extend the time of payment of interest thereon, or reduce any amount payable on redemption thereof, or impair or affect the right of any Securityholder to institute suit for payment thereof or, if the Securities provide therefor, any right of repayment at the option of the Securityholder without the consent of the Holder of each Security so affected, or (b) reduce the aforesaid percentage of Securities of any Series, the consent of the Holders of which is required for any such supplemental indenture, without the consent of the Holders of each Security so affected.

Upon the request of the Company, accompanied by a copy of a resolution of the Board of Directors certified by the secretary or an assistant secretary of the Company authorizing the execution of any such supplemental indenture, and upon the filing with the Trustee for such Series of Securities of evidence of the consent of Securityholders as aforesaid and other documents, if any, required by Section 7.1, the Trustee for such Series of Securities shall join with the Company in the execution of such supplemental indenture unless such supplemental indenture affects such Trustee's own rights, duties or immunities under this Indenture or otherwise, in which case such Trustee may in its discretion, but shall not be obligated to, enter into such supplemental indenture.

It shall not be necessary for the consent of the Securityholders under this Section to approve the particular form of any proposed supplemental indenture, but it shall be sufficient if such consent shall approve the substance thereof.

Promptly after the execution by the Company and the Trustee of any supplemental indenture pursuant to the provisions of this Section, the Company shall give notice in the manner and to the extent provided in Section 11.4 to the Holders of Securities of each Series affected thereby at their addresses as they shall appear on the Securities register of the Company, setting forth in general terms the substance of such supplemental indenture. Any failure of the Company to mail such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such supplemental indenture.

For the purposes of this Section 8.2 only, if the Securities of any Series are issuable upon the exercise of warrants, each holder of an unexercised and unexpired warrant with respect to such series shall be deemed to be a Holder of Outstanding Securities of such Series in the amount issuable upon the exercise of such warrant. For such purposes, the ownership of any such warrant shall be determined by the Company in a manner consistent with customary commercial practices. The Trustee for such series shall be entitled to rely on an Officers' Certificate as to the principal amount of Securities of such Series in respect of which consents shall have been executed by holders of such warrants.

SECTION 8.3 EFFECT OF SUPPLEMENTAL INDENTURE. Upon the execution of any supplemental indenture pursuant to the provisions hereof, this Indenture shall be and be deemed to be modified and amended in accordance therewith and the respective rights, limitations of rights, obligations, duties and immunities under this Indenture of the Trustee, the Company and the Holders of Securities of each Series affected thereby shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modifications and amendments, and all the terms and conditions of any such supplemental indenture shall be and be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

SECTION 8.4 DOCUMENTS TO BE GIVEN TO TRUSTEE. The Trustee, subject to the provisions of Sections 6.1 and 6.2, shall receive an Officers' Certificate and an Opinion of Counsel as conclusive evidence that any supplemental indenture executed pursuant to this Article Eight complies with the applicable provisions of this Indenture.

SECTION 8.5 NOTATION ON SECURITIES IN RESPECT OF SUPPLEMENTAL INDENTURES. Securities of any Series authenticated and delivered after the execution of any supplemental indenture pursuant to the provisions of this Article may bear, upon the direction of the Company, a notation in form satisfactory to the Trustee for the Securities of such Series as to any matter provided for by such supplemental indenture or as to any action taken at any such meeting. If the Company or the Trustee shall so determine, new Securities of any Series so modified as to conform, in the opinion of the Trustee and the Board of Directors, to any modification of this Indenture contained in any such supplemental indenture may be prepared by the Company, authenticated by the Trustee and delivered in exchange for the Securities of such Series then Outstanding.

ARTICLE NINE

CONSOLIDATION, MERGER, SALE OR CONVEYANCE

SECTION 9.1 COMPANY MAY CONSOLIDATE, ETC., ON CERTAIN TERMS. Subject to the provisions of Section 9.2, nothing contained in this Indenture or in any of the Securities shall prevent any consolidation or merger of the Company with or into any other corporation or corporations (whether or not affiliated with the Company), or successive consolidations or mergers in which the Company or its successor or successors shall be a party or parties, or shall prevent any sale, conveyance or lease of all or substantially all the property of the Company to any other corporation (whether or not affiliated with the Company) authorized to acquire and operate the same; provided, however, and the Company hereby covenants and agrees, that upon any such consolidation, merger, sale, conveyance or lease, other than a merger in which the Company is the continuing corporation, the due and punctual payment of the principal of and interest on all of the Securities, according to their tenor, and the due and punctual performance and observance of all of the covenants and conditions of this Indenture to be performed by the Company, shall be expressly assumed, by supplemental indenture satisfactory in form to the Trustee, executed and delivered to the Trustee by the corporation (if other than the Company) formed by such consolidation, or into which the Company shall have been merged, or by the corporation which shall have acquired or leased such property.

SECTION 9.2 SUCCESSOR CORPORATION SUBSTITUTED. In case of any such consolidation, merger, sale or conveyance, and following such an assumption by the successor corporation, such successor corporation shall succeed to and be substituted for the Company, with the same effect as if it had been named herein. Such successor corporation may cause to be signed, and may issue either in its own name or in the name of the Company prior to such succession any or all of the Securities issuable hereunder which theretofore shall not have been signed by the Company and delivered to the Trustee; and, upon the order of such successor corporation instead of the Company and subject to all the terms, conditions and limitations in this Indenture prescribed, the Trustee shall authenticate and shall deliver any Securities, which previously shall have been signed and delivered by the officers of the Company to the Trustee for authentication, and any Securities which such successor corporation thereafter shall cause to be signed and delivered to the Trustee for that purpose. All of the Securities so issued shall in all respects have the same legal rank and benefit under this Indenture as the Securities theretofore or thereafter issued in accordance with the terms of this Indenture as though all of such Securities had been issued at the date of the execution hereof.

In case of any such consolidation, merger, sale, lease or conveyance such changes in phraseology and form (but not in substance) may be made in the Securities thereafter to be issued as may be appropriate.

In the event of any such sale or conveyance (other than a conveyance by way of lease) the Company or any successor corporation which shall theretofore have become such in the manner described in this Article shall be discharged from all obligations and covenants under this Indenture and the Securities and may be liquidated and dissolved.

SECTION 9.3 OPINION OF COUNSEL TO TRUSTEE. The Trustee, subject to the provisions of Sections 6.1 and 6.2, shall receive an Opinion of Counsel, prepared in accordance with Section 11.5, as conclusive evidence that any such consolidation, merger, sale, lease or conveyance, and any such assumption, and any such liquidation or dissolution, complies with the applicable provisions of this Indenture.

ARTICLE TEN

SATISFACTION AND DISCHARGE OF INDENTURE; UNCLAIMED MONEYS

SECTION 10.1 SATISFACTION AND DISCHARGE OF INDENTURE. (A) If at any time (a) the Company shall have paid or caused to be paid the principal of and interest on all the Securities of any Series Outstanding hereunder (other than Securities which have been destroyed, lost or stolen and which have been replaced or paid as provided in Section 2.9) as and when the same shall have become due and payable, or (b) the Company shall have delivered to the Trustee for cancellation all Securities of any Series theretofore authenticated (other than any Securities of such Series which have been destroyed, lost or stolen and which shall have been replaced or paid as provided in Section 2.9) or (c)(i) all the Securities of such Series not theretofore delivered to the Trustee for cancellation shall have become due and payable, or are by their terms to become due and payable within one year or are to be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption, and (ii) the Company shall have irrevocably deposited or caused to be deposited with the Trustee as trust funds the entire amount in the currency required (other than moneys repaid by the Trustee or any Paying Agent to the Company in accordance with Section 10.4) or Government Obligations maturing as to principal and interest in such amounts and at such times as will ensure the availability of cash sufficient, in the opinion of a firm of independent certified public accountants, to pay at maturity or upon redemption all Securities of such Series (other than any Securities of such Series which shall have been destroyed, lost or stolen and which shall have been replaced or paid as provided in Section 2.9) not theretofore delivered to the Trustee for cancellation, including principal and interest due or to become due to such date of maturity as the case may be, and if, in any such case, the Company shall also pay or cause to be paid all other sums payable hereunder by the Company with respect to Securities of such Series, then this Indenture shall cease to be of further effect with respect to Securities of such Series (except as to (i) rights of registration of transfer and exchange, and the Company's right of optional redemption, (ii) substitution of mutilated, defaced, destroyed, lost or stolen Securities, (iii) rights of Holders to receive payments of principal thereof and interest thereon upon the original stated due dates therefor (but not upon acceleration) and remaining rights of the Holders to receive mandatory sinking fund payments, if any, (iv) the rights, obligations and immunities of the Trustee hereunder and (v) the rights of the Securityholders of such Series as beneficiaries hereof with respect to the property so deposited with the Trustee payable to all or any of them), and, subject to Section 10.5, the Trustee, on demand of the Company accompanied by an Officers' Certificate and an Opinion of Counsel and at the cost and expense of the Company, shall execute proper instruments acknowledging such satisfaction of and discharging this Indenture with respect to such Series; PROVIDED, that the rights of Holders of the Securities to receive amounts in respect of principal of and interest on the Securities held by them shall not be delayed longer than required by

then-applicable mandatory rules or policies of any securities exchange upon which the Securities are listed. The Company agrees to reimburse the Trustee for any costs or expenses thereafter reasonably and properly incurred and to compensate the Trustee for any services thereafter reasonably and properly rendered by the Trustee in connection with this Indenture, the Securities of such Series.

(B) In addition to the provisions of Section 10.1(A), the Company may terminate its obligations under the Securities of any Series and this Indenture with respect to such Series, except those obligations referred to in the penultimate paragraph of this Section 10.1, if the Company has irrevocably deposited or caused to be deposited with the Trustee at its Corporate Trust Office or such other office as the Trustee may designate, under the terms of an irrevocable trust agreement in form and substance satisfactory to the Trustee, as trust funds in trust solely for the benefit of the Securityholders of such Series for that purpose, (i) cash in the currency required or, (ii) Government Obligations maturing as to principal and interest in such amounts and at such times as are sufficient, in the opinion of a firm of independent certified public accountants, without consideration of any reinvestment of such principal or interest, to pay the principal of and interest on the outstanding Securities of such Series to maturity or redemption, as the case may be, provided that the Trustee shall have been irrevocably instructed to apply such money or the proceeds of such Government Obligations to the payment of said principal of and interest on the Outstanding Securities of such Series.

Such irrevocable trust agreement shall include, among other things, provision for (1) payment of the principal of and interest on the Securities of such Series when due (by redemption, sinking fund payments or otherwise), (2) the payment of the expenses of the Trustee incurred or to be incurred in connection with carrying out such trust provisions, (3) rights of registration, transfer, substitution and exchange of Securities of such Series in accordance with the terms stated in this Indenture and (4) continuation of the rights and obligations and immunities of the Trustee as against the Securityholders of such Series as stated in this Indenture.

Notwithstanding the first paragraph of this Section 10.1(B), the Company's obligations in Sections 2.8, 2.9, 3.1, 3.2, 3.8, 5.1, 6.6, 6.10, 10.4 and 10.5 shall survive until the Securities of such Series are no longer Outstanding; PROVIDED, HOWEVER, that the Company's obligations in Section 5.1 shall survive only with respect to Events of Default as defined in Sections 5.1(a), 5.1(b) and 5.1(c). Thereafter, the Company's obligations in Sections 6.6, 10.4 and 10.5 shall survive.

After any such irrevocable deposit, accompanied by an Officers' Certificate which shall state that the provisions of the first two paragraphs of this Section 10.1(B) have been complied with, and upon delivery by the Company to the Trustee of (i) an Opinion of Counsel to the effect that either (a) as a result of such deposit and the related exercise of the Company's option under this Section 10.1(B) registration will not be required under the Investment Company Act of 1940, as amended, by the Company, the trust funds representing such deposit or the Trustee or (b) all necessary registrations under such Act have been effected and (ii) an Opinion of Counsel to the effect that

Securityholders of such Series will not recognize income, gain or loss for Federal income tax purposes as a result of such deposit and discharge and will be subject to Federal income tax on the same amount and in the same manner and at the same time as would have been the case if such deposit and discharge had not occurred, then the Company shall be discharged of its obligations under the Securities of such Series and this Indenture with respect to such Series except for those surviving obligations specified above, and the Trustee upon request shall acknowledge in writing such discharge. Prior to the delivery of such acknowledgment, the Trustee may require the Company to deliver to it an Officer's Certificate and Opinion of Counsel, each stating that all conditions precedent provided for herein relating to the deposit and discharge contemplated by this provision have been complied with, and the Trustee may also require that the Opinion of Counsel referred to in clause (i) of this paragraph shall also state that such deposit does not violate applicable law.

SECTION 10.2 APPLICATION BY TRUSTEE OF FUNDS DEPOSITED FOR PAYMENT OF SECURITIES. Subject to Section 10.4, all moneys deposited with the Trustee pursuant to Section 10.1 shall be held in trust and applied by it to the payment, either directly or through any Paying Agent (including the Company acting as its own Paying Agent), to the Holders of the particular Securities of such Series for the payment or redemption of which such moneys have been deposited with the Trustee, of all sums due and to become due thereon for principal and interest; but such money need not be segregated from other funds except to the extent required by law.

SECTION 10.3 REPAYMENT OF MONEYS HELD BY PAYING AGENT. In connection with the satisfaction and discharge of this Indenture with respect to Securities of any Series, all moneys then held by any Paying Agent under the provisions of this Indenture with respect to such Series of Securities shall, upon demand of the Company, be repaid to it or paid to the Trustee and thereupon such Paying Agent shall be released from all further liability with respect to such moneys.

SECTION 10.4 RETURN OF UNCLAIMED MONEYS HELD BY TRUSTEE AND PAYING AGENT. Any moneys deposited with or paid to the Trustee or any Paying Agent for the payment of the principal or interest on any Security of any Series and not applied but remaining unclaimed for two years after the date upon which such principal or interest shall have become due and payable, shall, upon the written request of the Company and unless otherwise required by mandatory provisions of applicable escheat or abandoned or unclaimed property law, be repaid to the Company by the Trustee for such Series or such Paying Agent, and the Holder of the Security of such Series shall, unless otherwise required by mandatory provisions of applicable escheat or abandoned or unclaimed property laws, thereafter look only to the Company for any payment which such Holder may be entitled to collect, and all liability of the Trustee or any Paying Agent with respect to such moneys shall thereupon cease.

SECTION 10.5 REINSTATEMENT OF COMPANY'S OBLIGATIONS. If the Trustee is unable to apply any funds or Government Obligations in accordance with Section 10.1 by reason of any legal proceeding or by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application or by reason of the Trustee's inability to convert any such funds or Government Obligations into the currency required to be paid with respect to the Securities of such Series, the Company's obligations under this Indenture and the Securities of any Series for which such application is

prohibited shall be revived and reinstated as if no deposit had occurred pursuant to Section 10.1 until such time as the Trustee is permitted to apply all such funds or Government Obligations in accordance with Section 10.1 or is able to convert all such funds or Government Obligations; PROVIDED, HOWEVER, that if the Company has made any payment of interest on or principal of any of such Securities because of the reinstatement of its obligations, the Company shall be subrogated to the rights of the Securityholders of such Securities to receive such payment from the funds or Government Obligations held by the Trustee.

ARTICLE ELEVEN

MISCELLANEOUS PROVISIONS

SECTION 11.1 INCORPORATORS, STOCKHOLDERS, OFFICERS AND DIRECTORS OF COMPANY EXEMPT FROM INDIVIDUAL LIABILITY. No recourse under or upon any obligation, covenant or agreement contained in this Indenture, in any Security, or because of any indebtedness evidenced thereby, shall be had against any incorporator, as such or against any past, present or future stockholder, officer or director, as such, of the Company or of any successor, either directly or through the Company or any successor, under any rule of law, statute or constitutional provision or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise, all such liability being expressly waived and released by the acceptance of the Securities by the Holders thereof and as part of the consideration for the issue of the Securities.

SECTION 11.2 PROVISIONS OF INDENTURE FOR THE SOLE BENEFIT OF PARTIES AND SECURITYHOLDERS. Nothing in this Indenture or in the Securities, expressed or implied, shall give or be construed to give to any Person, firm or corporation, other than the parties hereto, any Paying Agent and their successors hereunder and the Holders of the Securities any legal or equitable right, remedy or claim under this Indenture or under any covenant or provision herein contained, all such covenants and provisions being for the sole benefit of the parties hereto and their successors and of the Holders of the Securities.

SECTION 11.3 SUCCESSORS AND ASSIGNS OF COMPANY BOUND BY INDENTURE. All the covenants, stipulations, promises and agreements in this Indenture contained by or on behalf of the Company shall bind its successors and assigns, whether so expressed or not.

SECTION 11.4 NOTICES AND DEMANDS ON COMPANY, TRUSTEE AND SECURITYHOLDERS. Any notice or demand which by any provision of this Indenture is required or permitted to be given or served by the Trustee, by the Holders of Securities, to or on the Company may be given or served by being deposited postage prepaid, first-class mail (except as otherwise specifically provided herein) addressed (until another address of the Company is filed by the Company with the Trustee) to Office Depot, Inc. 2200 Old Germantown Road, Delray Beach, Florida 33445 Attention: Secretary. Any notice, direction, request or demand by the Company or any Securityholder to or upon the Trustee shall be deemed to have been sufficiently given or made, for all purposes, if given or made at the Corporate Trust Office.

Where this Indenture provides for notice to Holders of any event, (1) if any of the Securities affected by such event are Registered Securities, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and mailed by first-class mail, postage prepaid to such Registered Holders as their names and addresses appear in the Security register within the time prescribed and (2) if any of the Securities affected by such event are Unregistered Securities, such notice shall be sufficiently given (unless otherwise herein expressly provided) if published once in a newspaper of general circulation in New York, New York and London, England within the time prescribed. 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 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, and any notice which is mailed in the manner herein provided shall be conclusively presumed to have been duly given.

In case, by reason of the suspension of or irregularities in regular mail service, it shall be impracticable to mail notice to the Company and Securityholders when such notice is required to be given pursuant to any provision of this Indenture, then any manner of giving such notice as shall be satisfactory to the Trustee shall be deemed to be a sufficient giving of such notice.

SECTION 11.5 OFFICERS' CERTIFICATES AND OPINIONS OF COUNSEL; STATEMENTS TO BE CONTAINED THEREIN. Upon any application or demand by the Company to the Trustee to take any action under any of the provisions of this Indenture, the Company shall furnish to the Trustee an Officers' Certificate stating that all conditions precedent provided for in this Indenture relating to the proposed action have been complied with and an Opinion of Counsel stating that in the opinion of such counsel all such conditions precedent have been complied with, except that in the case of any such application or demand as to which the furnishing of such documents is specifically required by any provision of this Indenture relating to such particular application or demand, no additional certificate or opinion need be furnished.

Each certificate or opinion provided for in this Indenture and delivered to the Trustee with respect to compliance with a condition or covenant provided for in this Indenture shall include (a) a statement that the person making such certificate or opinion has read such covenant or condition, (b) 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, (c) a statement that, in the opinion of such person, 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 (d) a statement as to whether or not, in the opinion of such person, such condition or covenant has been complied with.

Any certificate, statement 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 that the certificate or opinion or representations with respect to the matters upon which his

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

Any certificate, statement or opinion of an officer of the Company or of counsel may be based, insofar as it relates to accounting matters, upon a certificate or opinion of or representations by an accountant or firm of accountants in the employ of the Company, unless such officer or counsel, as the case may be, knows that the certificate or opinion or representations with respect to the accounting matters upon which his certificate, statement or opinion may be based as aforesaid are erroneous, or in the exercise of reasonable care should know that the same are erroneous.

Any certificate or opinion of any independent firm of public accountants filed with the Trustee shall contain a statement that such firm is independent.

SECTION 11.6 PAYMENTS DUE ON SATURDAYS, SUNDAYS AND HOLIDAYS. If the date of maturity of interest on or principal of the Securities of any Series appertaining thereto or the date fixed for redemption or repayment of any such Security shall not be a Business Day, then payment of interest, premium, if any, or principal 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 date of maturity or the date fixed for redemption, and no interest shall accrue for the period after such date.

SECTION 11.7 CONFLICT OF ANY PROVISION OF INDENTURE WITH TRUST INDENTURE ACT OF 1939. If and to the extent that any provision of this Indenture limits, qualifies or conflicts with another provision included in this Indenture which is required to be included herein by any of Sections 310 to 317, inclusive, of the Trust Indenture Act of 1939, such required provision shall control.

SECTION 11.8 NEW YORK LAW TO GOVERN. This Indenture and each Security shall be deemed to be a contract under the laws of the State of New York, and for all purposes shall be construed in accordance with the laws of such State.

SECTION 11.9 CONFLICTS. In the event of a conflict with any term or provision of this Indenture and any Indenture Supplement, the term or provision in any Supplemental Indenture shall control.

SECTION 11.10 COUNTERPARTS. This Indenture may be executed in any number of counterparts, each of which shall be an original; but such counterparts shall together constitute but one and the same instrument.

SECTION 11.11 EFFECT OF HEADINGS. The Article and Section headings herein and the Table of Contents are for convenience only and shall not affect the construction hereof.

SECTION 11.12 DETERMINATION OF PRINCIPAL AMOUNT. In determining whether the Holders of the requisite principal amount of outstanding Securities of any Series have given any request, demand, authorization, direction, notice, consent or waiver hereunder, whether a quorum is present at a meeting of Holders of Securities or whether sufficient funds are available for redemption or for any other purpose, the principal amount of an Original Issue Discount Security that shall be deemed to be outstanding for such purposes shall be the amount of the principal thereof that would be due and payable as of the date of such determination upon a declaration of acceleration of the maturity thereof pursuant to Section 5.1 and the principal amount of any Securities denominated in a Foreign Currency that shall be deemed to be outstanding for such purposes shall be determined by converting the Foreign Currency into Dollars at the Market Exchange Rate as of the date of such determination.

ARTICLE TWELVE

REDEMPTION OF SECURITIES AND SINKING FUNDS

SECTION 12.1 APPLICABILITY OF ARTICLE. The provisions of this Article shall be applicable to the Securities of any Series which are redeemable before their maturity or to any sinking fund for the retirement of Securities of a Series except as otherwise specified as contemplated by Section 2.3 for Securities of such Series.

SECTION 12.2 NOTICE OF REDEMPTION; PARTIAL REDEMPTIONS. Notice of redemption to the Holders of Securities of any Series to be redeemed as a whole or in part at the option of the Company shall be given by giving notice of such redemption as provided in Section 11.4, at least 30 days and not more than 60 days prior to the date fixed for redemption to such Holders of Securities of such Series. Failure to give notice by mail, or any defect in the notice to the Holder of any Security of a Series designated for redemption as a whole or in part shall not affect the validity of the proceedings for the redemption of any other Security of such Series.

The notice of redemption to each such Holder shall identify the Securities to be redeemed (including "CUSIP" or "ISIN" numbers), specify the date fixed for redemption, the redemption price, the Place or Places of Payment, that payment will be made as specified in such notice, that such redemption is pursuant to the mandatory or optional sinking fund, or both, if such be the case, that interest accrued to the date fixed for redemption will be paid as specified in such notice and that on and after said date interest thereon or on the portions thereof to be redeemed will cease to accrue and that, if less than all of the Outstanding Securities of a Series are to be redeemed, the identification and principal amount of the Securities to be redeemed. If less than all of the Securities of any Series are to be redeemed, the notice of redemption shall specify the numbers of the Securities of such Series to be redeemed, and, if only Unregistered Securities of any Series are to be redeemed, and if such Unregistered Securities may be exchanged for Registered Securities,

the last date on which exchanges of Unregistered Securities for Registered Securities not subject to redemption may be made. In case any Security of a Series is to be redeemed in part, the notice of redemption shall state the portion of the principal amount thereof to be redeemed and shall state that on and after the date fixed for redemption, upon surrender of such Security, a new Security or Securities of such Series in principal amount equal to the unredeemed portion thereof will be issued.

The notice of redemption of Securities of any Series to be redeemed at the option 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. The Company shall give the Trustee at least 10 business days prior written notice of any redemption hereunder.

Not later than 9:00 a.m., New York time, on the redemption date specified in the notice of redemption given as provided in this Section, the Company will have on deposit with the Trustee or with one or more paying agents (or, if the Company is acting as its own paying agent, set aside, segregate and hold in trust as provided in Section 3.4) an amount of money in the currency in which the Securities of such Series are payable (except as otherwise specified pursuant to Section 2.3 and except as provided in Sections 2.12(b), (e) and (f) of this Indenture) sufficient to redeem on the redemption date all the Securities of such Series so called for redemption at the appropriate redemption price, together with accrued interest to the date fixed for redemption. If less than all the Outstanding Securities of a Series are to be redeemed, the Company will deliver to the Trustee at least 10 business days prior to the date fixed for redemption an Officers' Certificate stating the aggregate principal amount of Securities to be redeemed.

If less than all the Securities of a Series are to be redeemed, the Trustee shall select, in such manner as it shall deem appropriate and fair, Securities of such Series to be redeemed in whole or in part. Securities may be redeemed in part in multiples equal to the minimum authorized denomination for Securities of such Series or any multiple thereof. The Trustee shall promptly notify the Company in writing of the Securities of such Series selected for redemption and, in the case of any Securities of such Series 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 of any Series shall relate, in the case of any Security redeemed or to be redeemed only in part, to the portion of the principal amount of such Security which has been or is to be redeemed.

SECTION 12.3 PAYMENT OF SECURITIES CALLED FOR REDEMPTION. If notice of redemption has been given as above provided, the Securities or portions of Securities specified in such notice shall become due and payable on the date and at the place stated in such notice at the applicable redemption price, together with interest accrued to the date fixed for redemption, and on and after said date (unless the Company shall default in the payment of such Securities at the redemption price, together with interest accrued to said date) interest on the Securities or portions of Securities so called for redemption shall cease to accrue and, except as provided in Sections 6.5 and 10.4, such Securities shall cease from and after the date fixed for redemption to be entitled to any benefit or security under this Indenture, and the Holders thereof shall have no right in respect of such Securities except the right to receive the redemption price thereof and unpaid interest to the date fixed for redemption. On presentation and surrender of such Securities at a place of payment specified in said notice,

said Securities or the specified portions thereof shall be paid and redeemed by the Company at the applicable redemption price, together with interest accrued thereon to the date fixed for redemption; PROVIDED that any semiannual payment of interest on Registered Securities becoming due on the date fixed for redemption shall be payable to the Holders of such Securities registered as such on the relevant record date subject to the terms and provisions of Section 2.4 hereof.

If any Security called for redemption shall not be so paid upon surrender thereof for redemption, the principal shall, until paid or duly provided for, bear interest from the date fixed for redemption at the rate of interest borne by the Security.

Upon presentation of any Security redeemed in part only, the Company shall execute and the Trustee shall authenticate and deliver to or on the order of the Holder thereof, at the expense of the Company, a new Security or Securities, of authorized denominations, in principal amount equal to the unredeemed portion of the Security so presented.

SECTION 12.4 EXCLUSION OF CERTAIN SECURITIES FROM ELIGIBILITY FOR SELECTION FOR REDEMPTION. Securities shall be excluded from eligibility for selection for redemption if they are identified by registration and certificate number in a written statement signed by an authorized officer of the Company and delivered to the Trustee at least 40 days prior to the last date on which notice of redemption may be given as being owned of record and beneficially by, and not pledged or hypothecated by, either (a) the Company or (b) an entity specifically identified in such written statement directly or indirectly controlling or controlled by or under direct or indirect common control with the Company.

SECTION 12.5 MANDATORY AND OPTIONAL SINKING FUNDS. The minimum amount of any sinking fund payment provided for by the terms of Securities of any Series is herein referred to as a "mandatory sinking fund payment", and any payment in excess of such minimum amount provided for by the terms of Securities of any Series is herein referred to as an "optional sinking fund payment". The date on which a sinking fund payment is to be made is herein referred to as the "sinking fund payment date".

In lieu of making all or any part of any mandatory sinking fund payment with respect to any Series of Securities in cash, the Company may at its option (a) deliver to the Trustee Securities of such Series theretofore purchased or otherwise acquired (except upon redemption pursuant to the mandatory sinking fund) by the Company or receive credit for Securities of such Series (not previously so credited) theretofore purchased or otherwise acquired (except as aforesaid) by the Company and delivered to the Trustee for cancellation pursuant to Section 2.10, (b) receive credit for optional sinking fund payments (not previously so credited) made pursuant to this Section, or (c) receive credit for Securities of such Series (not previously so credited) redeemed by the Company through any optional redemption provision contained in the terms of such Series. Securities so delivered or credited shall be received or credited by the Trustee at the sinking fund redemption price specified in such Securities.

On or before the forty-fifth day next preceding each sinking fund payment date for any Series of Securities, the Company will deliver to the

Trustee a written statement (which need not contain the statements required by Section 11.5) signed by an authorized officer of the Company (a) specifying the portion of the mandatory sinking fund payment to be satisfied by payment of cash in the currency in which the Securities of such Series are payable (except as otherwise specified pursuant to Section 2.3 for the Securities of such Series and except as provided in Section 2.12(b), (e) and (f) hereof), and the portion to be satisfied by credit of Securities of such Series, (b) stating that none of the Securities of such Series has theretofore been so credited, (c) stating that no defaults in the payment of interest or Events of Default with respect to such Series have occurred (which have not been waived or cured) and are continuing, (d) stating whether or not the Company intends to exercise its right to make an optional sinking fund payment with respect to such Series and, if so, specifying the amount of such optional sinking fund payment which the Company intends to pay on or before the next succeeding sinking fund payment date and (e) specifying such sinking fund payment date. Any Securities of such Series to be credited and required to be delivered to the Trustee in order for the Company to be entitled to credit therefor as aforesaid which have not theretofore been delivered to the Trustee shall be delivered for cancellation pursuant to Section 2.10 to the Trustee with such written statement (or reasonably promptly thereafter if acceptable to the Trustee). Such written statement shall be irrevocable and upon its receipt by the Trustee the Company shall become unconditionally obligated to make all the cash payments or payments therein referred to, if any, on or before the next succeeding sinking fund payment date. Failure of the Company, on or before any such sixtieth day, to deliver such written statement and Securities specified in this paragraph, if any, shall not constitute a default but shall constitute, on and as of such date, the irrevocable election of the Company (i) that the mandatory sinking fund payment for such Series due on the next succeeding sinking fund payment date shall be paid entirely in cash (in the currency described above) without the option to deliver or credit Securities of such Series in respect thereof and (ii) that the Company will make no optional sinking fund payment with respect to such Series as provided in this Section.

If the sinking fund payment or payments (mandatory or optional or both) to be made in cash (in the currency described above) on the next succeeding sinking fund payment date plus any unused balance of any preceding sinking fund payments made in cash shall exceed \$100,000, or the equivalent in the currency in which the Securities of such Series are payable (or a lesser sum if the Company shall so request) with respect to the Securities of any particular Series, such cash shall be applied on the next succeeding sinking fund payment date to the redemption of Securities of such Series at the sinking fund redemption price together with accrued interest to the date fixed for redemption. If such amount shall be \$100,000, or the equivalent in the currency in which the Securities of such Series are payable, or less and the Company makes no such request then it shall be carried over until a sum in excess of \$100,000, or the equivalent in the currency in which the Securities of such Series are payable, is available. The Trustee shall select, in the manner provided in Section 12.2, for redemption on such sinking fund payment date a sufficient principal amount of Securities of such Series to absorb said cash, as nearly as may be possible, and shall (if requested in writing by the Company) inform the Company of the serial numbers of the Securities of such Series (or portions thereof) so selected. Securities of any Series which are identified by registration and certificate number in an Officers' Certificate at least 60 days prior to the sinking fund payment date as being beneficially owned by, and not pledged or hypothecated by, the Company or an entity directly or indirectly controlling or controlled by or under direct or indirect common control with the Company shall be excluded from Securities of such Series eligible for selection for redemption. The Trustee, in the name and at the expense of the Company (or

the Company, if it shall so notify the Trustee in writing) shall cause notice of redemption of the Securities of such Series to be given in substantially the manner provided in Section 12.2 (and with the effect provided in Section 12.3) for the redemption of Securities of such Series in part at the option of the Company. The amount of any sinking fund payments not so applied or allocated to the redemption of Securities of such Series shall be added to the next cash sinking fund payment for such Series and, together with such payment, shall be applied in accordance with the provisions of this Section. Any and all sinking fund moneys held on the stated maturity date of the Securities of any particular Series (or earlier, if such maturity is accelerated), which are not held for the payment or redemption of particular Securities of such Series shall be applied, together with other moneys, if necessary, sufficient for the purpose, to the payment of the principal of, and interest on, the Securities of such Series at maturity.

The Trustee shall not convert any currency in which the Securities of such Series are payable for the purposes of such sinking fund application unless specifically requested to do so by the Company, and any such conversion agreed to by the Trustee in response to such request shall be for the account and at the expense of the Company and shall not affect the Company's obligation to pay the Holders in the currency to which such Holder may be entitled.

Not later than 9:00 a.m., New York time, on the sinking fund payment date, the Company shall have paid to the Trustee in cash (in the currency described in the third paragraph of this Section 12.5) or shall otherwise provide for the payment of all interest accrued to the date fixed for redemption on Securities to be redeemed on the next following sinking fund payment date.

The Trustee shall not redeem or cause to be redeemed any Securities of a Series with sinking fund moneys or mail or publish any notice of redemption of Securities for such Series by operation of the sinking fund during the continuance of a default in payment of interest on such Securities or of any Event of Default except that, where the mailing or publication of notice of redemption of any Securities shall theretofore have been made, the Trustee shall redeem or cause to be redeemed such Securities, provided that it shall have received from the Company a sum sufficient for such redemption. Except as aforesaid, any moneys in the sinking fund for such Series at the time when any such default or Event of Default shall occur, and any moneys thereafter paid into the sinking fund, shall, during the continuance of such default or Event of Default, be deemed to have been collected under Article Five and held for the payment of all such Securities. In case such Event of Default shall have been waived as provided in Section 5.10 or the default cured on or before the sixtieth day preceding the sinking fund payment date in any year, such moneys shall thereafter be applied on the next succeeding sinking fund payment date in accordance with this Section to the redemption of such Securities.

SECTION 12.6 REPAYMENT AT THE OPTION OF THE HOLDERS. Securities of any Series which are repayable at the option of the Holders thereof before their stated maturity shall be repaid in accordance with the terms of the Securities of such Series.

The repayment of any principal amount of Securities pursuant to such option of the Holder to require repayment of Securities before their stated maturity, for purposes of Section 10.1, shall not operate as a payment, redemption or satisfaction of the indebtedness represented by such Securities unless and until the Company, at its option, shall deliver or surrender the same to the Trustee with a directive that such Securities be cancelled.

[signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be duly executed as of the day and year first above written.

OFFICE DEPOT, INC.

By: /s/ Carolyn Clarke
Name: Carolyn Clarke
Title: Vice President, Treasurer

SUNTRUST BANK, N.A.,
as Trustee

By: /s/ Holly Lee Jeske
Name: Holly Lee Jeske
Title: Vice President

FORM OF 6.25% SENIOR NOTES DUE AUGUST 15, 2013

THIS SECURITY IS A GLOBAL SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITARY OR A NOMINEE THEREOF. THIS SECURITY MAY NOT BE EXCHANGED IN WHOLE OR IN PART FOR A SECURITY REGISTERED, AND NO TRANSFER OF THIS SECURITY IN WHOLE OR IN PART MAY BE REGISTERED, IN THE NAME OF ANY PERSON OTHER THAN SUCH DEPOSITARY OR A NOMINEE THEREOF, EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE.

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

6.25% Senior Note Due August 15, 2013

\$400,000,000

CUSIP NO. 676220AF3

OFFICE DEPOT, 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 Cede & Co., or registered assigns, the principal sum of Four Hundred Million Dollars on August 15, 2013, and to pay interest thereon from August 11, 2003 or from the most recent interest payment date to which interest has been paid or duly provided for, semiannually on February 15 and August 15 in each year, commencing February 15, 2004, at the rate of 6.25% per annum, until the principal hereof is paid or made available for payment.

The interest so payable, and punctually paid or duly provided for, on any interest payment date will, as provided in the 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 February 1 or August 1 (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 of this series 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 of this series may be listed, and upon such notice as may be required by such exchange, all as more fully provided in the 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, 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 or by wire transfer to an account maintained by the Person entitled thereto as specified in the Security Register, provided that such Person shall have given the Trustee written wire instructions at least five Business Days prior to the applicable Interest Payment Date.

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.

[Signatures appear on next page]

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed.

Dated: _____, 2003

Office Depot, Inc.

By _____

Name:

Title:

Attest:

Name:

Title:

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Securities of the series designated herein and referred to in the within-mentioned Indenture.

SUNTRUST BANK,
as Trustee

By _____

Authorized Signatory

[Reverse of Security]

Section 1. INDENTURE

The Company issued the Securities under an Indenture, dated as of August 11, 2003, between the Company and the Trustee, and Supplemental Indenture No. 1 thereto, dated as of August 11, 2003 (collectively, the "Indenture"). The terms of the Securities include those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act as in effect on the date of the Indenture. Terms defined in the Indenture and not defined herein have the meanings ascribed thereto in the Indenture. The Securities are subject to all terms and provisions of the Indenture, and Securityholders are referred to the Indenture and the Trust Indenture Act for a statement of such terms and provisions.

The Securities are senior unsecured obligations of the Company initially limited to \$400,000,000 aggregate principal amount at any one time outstanding. This Security is one of the Initial Securities referred to in the Indenture. The Securities include the Initial Securities and any Exchange Securities and Private Exchange Securities issued in exchange for Initial Securities. The Initial Securities, the Exchange Securities and the Private Exchange Securities are treated as a single class of securities under the Indenture.

Section 2. REDEMPTION

The Securities may be redeemed, in whole or in part, at the option of the Company at any time or from time to time. The redemption price for the Securities to be redeemed on any redemption date will be equal to the greater of the following amounts:

- o 100% of the principal amount of the Securities being redeemed on the redemption date; or
- o the sum of the present values of the remaining scheduled payments of principal of and interest on the Securities being redeemed on that redemption date (not including any portion of any payments of interest accrued to the redemption date) discounted to the redemption date on a semiannual basis at the Treasury Rate (as defined below), plus 30 basis points,

plus, in each case, accrued and unpaid interest on the notes to the redemption date.

Notwithstanding the foregoing, installments of interest on Securities that are due and payable on interest payment dates falling on or prior to a redemption date will be payable on the interest payment date to the Holders as of the close of business on the relevant record date. The redemption price will be calculated on the basis of a 360-day year consisting of twelve 30-day months.

"Comparable Treasury Issue" means the United States Treasury security

selected by the Reference Treasury Dealer as having a maturity comparable to the remaining term of the notes.

"Comparable Treasury Price" means, with respect to any redemption date, (A) the average of the Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest such Reference Treasury Dealer Quotations, or (B) if the Trustee obtains fewer than three such Reference Treasury Dealer Quotations, the average of all such Quotations, or (C) if only one Reference Treasury Dealer Quotation is received, such Quotation.

"Reference Treasury Dealer" means (A) Citigroup Global Markets Inc. or Goldman, Sachs & Co. (or their respective affiliates which are Primary Treasury Dealers), and their respective successors; provided, however, that if any of the foregoing shall cease to be a primary U.S. Government securities dealer in New York City (a "Primary Treasury Dealer"), the Company will substitute therefor another Primary Treasury Dealer; and (B) any other Primary Treasury Dealer(s) selected by the Company.

"Reference Treasury Dealer Quotation" means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Trustee, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the trustee by such Reference Treasury Dealer at 5:00 p.m. (New York City time) on the third Business Day preceding such redemption date.

"Treasury Rate" means, with respect to any redemption date, the rate per annum equal to the semiannual equivalent yield to maturity of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date.

Section 3. SINKING FUND

The Securities are not subject to any sinking fund.

Section 4. DENOMINATIONS; TRANSFER; EXCHANGE

The Securities are in registered form without coupons in denominations of \$1,000 and whole multiples of \$1,000. A Holder may transfer or exchange Securities in accordance with the Indenture. Upon any transfer or exchange, the Registrar and the Trustee may require a Holder, among other things, to furnish appropriate endorsements or transfer documents and to pay any taxes required by law or permitted by the Indenture. The Registrar need not register the transfer of or exchange any Securities selected for redemption or to transfer or exchange any Securities for a period of 15 days prior to the mailing of a notice of redemption of Securities to be redeemed.

Section 5. PERSONS DEEMED OWNERS

The registered Holder of this Security may be treated as the owner of it for all purposes.

Section 6. UNCLAIMED MONEY

If money for the payment of principal or interest remains unclaimed for two years, the Trustee or Paying Agent shall pay the money back to the Company at its written request unless an abandoned property law designates another Person. After any such payment, Holders entitled to the money must look only to the Company and not to the Trustee for payment.

Section 7. DISCHARGE AND DEFEASANCE

Subject to certain conditions, the Company at any time may terminate some of or all its obligations under the Securities and the Indenture if the Company deposits with the Trustee money or U.S. Government Obligations for the payment of principal and interest on the Securities to redemption or maturity, as the case may be.

Section 8. TRUSTEE DEALINGS WITH THE COMPANY

Subject to certain limitations imposed by the Trust Indenture Act, the Trustee under the Indenture, in its individual or any other capacity, may become the owner or pledgee of Securities and may otherwise deal with and collect obligations owed to it by the Company or its Affiliates and may otherwise deal with the Company or its Affiliates with the same rights it would have if it were not Trustee.

Section 9. NO RECOURSE AGAINST OTHERS

A director, officer, employee or stockholder, as such, of the Company shall not have any liability for any obligations of the Company under the Securities or the Indenture or for any claim based on, in respect of or by reason of such obligations or their creation. By accepting a Security, each Securityholder waives and releases all such liability. The waiver and release are part of the consideration for the issue of the Securities.

Section 10. AUTHENTICATION

This Security shall not be valid until an authorized signatory of the Trustee (or an authenticating agent) manually signs the certificate of authentication on the other side of this Security.

Section 11. GOVERNING LAW

THIS SECURITY SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK BUT WITHOUT GIVING EFFECT TO APPLICABLE

PRINCIPLES OF CONFLICTS OF LAW TO THE EXTENT THAT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION WOULD BE REQUIRED THEREBY.

Section 12. CUSIP NUMBERS

Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures, the Company has caused CUSIP numbers to be printed on the Securities and has directed the Trustee to use CUSIP numbers in notices of redemption as a convenience to Securityholders. No representation is made as to the accuracy of such numbers either as printed on the Securities or as contained in any notice of redemption and reliance may be placed only on the other identification numbers placed thereon.

Section 13. HOLDERS' COMPLIANCE WITH THE EXCHANGE AND REGISTRATION RIGHTS AGREEMENT

Each Holder of a Security, by acceptance hereof, acknowledges and agrees to the provisions of the Exchange and Registration Rights Agreement, including, without limitation, the obligations of the Holders with respect to a registration and the indemnification of the Company to the extent provided therein. In the event of a conflict between the terms of this Security and the Exchange and Registration Rights Agreement, the terms of the Exchange and Registration Rights Agreement shall control.

The Company will furnish to any Holder of Securities upon written request and without charge to the Holder a copy of the Indenture which has in it the text of this Security.

OFFICE DEPOT, INC.

6.250% SENIOR NOTES DUE 2013

EXCHANGE AND REGISTRATION RIGHTS AGREEMENT

August 11, 2003

Citigroup Global Markets Inc.
Goldman, Sachs & Co.,

As representatives of the Initial Purchasers
named in Schedule I hereto,
c/o Citigroup Global Markets Inc.
388 Greenwich Street
New York, New York 10013

Ladies and Gentlemen:

Office Depot, Inc., a Delaware corporation (the "Company"), proposes to issue and sell to the Initial Purchasers (as defined herein) upon the terms set forth in the Purchase Agreement (as defined herein) its 6.250% Senior Notes due 2013. As an inducement to the Initial Purchasers to enter into the Purchase Agreement and in satisfaction of a condition to the obligations of the Initial Purchasers thereunder, the Company agrees with the Initial Purchasers for the benefit of holders (as defined herein) from time to time of the Registrable Securities (as defined herein) as follows:

1. Certain Definitions. For purposes of this Exchange and Registration Rights Agreement, the following terms shall have the following respective meanings:

"Additional Interest" shall have the meaning assigned thereto in Section 2(c) hereof.

"Affiliate" shall have the meaning specified in Rule 405 under the Securities Act and the terms "controlling" and "controlled" shall have meanings correlative thereto.

"Base Interest" shall mean the interest that would otherwise accrue on the Securities under the terms thereof and the Indenture, without giving effect to the provisions of this Agreement.

The term "broker-dealer" shall mean any broker or dealer registered with the Commission under the Exchange Act.

"Business Day" shall mean any day other than a Saturday, a Sunday or a legal holiday or a day on which banking institutions or trust companies are authorized or obligated by law to close in New York City.

"Closing Date" shall mean the date on which the Securities are initially issued.

"Commission" shall mean the U.S. Securities and Exchange Commission, or any other federal agency at the time administering the Exchange Act or the Securities Act, whichever is the relevant statute for the particular purpose.

"Effective Time," in the case of (i) an Exchange Registration, shall mean the time and date as of which the Commission declares the Exchange Registration Statement effective or as of which the Exchange Registration Statement otherwise becomes effective and (ii) a Shelf Registration, shall mean the time and date as of which the Commission declares the Shelf Registration Statement effective or as of which the Shelf Registration Statement otherwise becomes effective.

"Electing Holder" shall mean any holder of Registrable Securities that has returned a completed and signed Notice and Questionnaire to the Company in accordance with Section 3(d)(ii) or 3(d)(iii) hereof.

"Exchange Act" shall mean the Securities Exchange Act of 1934, or any successor thereto, as the same shall be amended from time to time.

"Exchange Offer" shall have the meaning assigned thereto in Section 2(a) hereof.

"Exchange Registration" shall have the meaning assigned thereto in Section 3(c) hereof.

"Exchange Registration Statement" shall have the meaning assigned thereto in Section 2(a) hereof.

"Exchange Securities" shall have the meaning assigned thereto in Section 2(a) hereof.

The term "holder" shall mean each of the Initial Purchasers and other persons who acquire Registrable Securities from time to time (including any successors or assigns), in each case for so long as such person owns any Registrable Securities.

"Indenture" shall mean the Indenture, dated as of August 11, 2003, between the Company and SunTrust Bank, as Trustee, as the same shall be amended from time to time.

"Losses" shall mean losses, claims, damages and liabilities (including legal or other expenses reasonably incurred in connection with investigating or defending any loss, claim, liability, damage or action).

"New Securities" shall mean debt securities of the Company identical in all material respects to the Securities (except that the transfer restrictions shall be modified or eliminated, as appropriate).

"Notice and Questionnaire" means a Notice of Registration Statement and Selling Securityholder Questionnaire substantially in the form of Exhibit A hereto.

The term "person" shall mean a corporation, association, partnership, organization, business, individual, government or political subdivision thereof or governmental agency.

"Purchase Agreement" shall mean the Purchase Agreement, dated as of August 6, 2003, between the Initial Purchasers and the Company relating to the Securities.

"Initial Purchasers" shall mean the Initial Purchasers named in Schedule I to the Purchase Agreement.

"Registrable Securities" shall mean the Securities; provided, however, that a Security shall cease to be a Registrable Security when (i) in the circumstances contemplated by Section 2(a) hereof, the Security has been exchanged for an Exchange Security in an Exchange Offer as contemplated in Section 2(a) hereof (provided that any Exchange Security that, pursuant to the last two sentences of Section 2(a), is included in a prospectus for use in connection with resales by broker-dealers shall be deemed to be a Registrable Security with respect to Sections 5, 6 and 9 until resale of such Registrable Security has been effected within the 120-day period referred to in Section 2(a)); (ii) in the circumstances contemplated by Section 2(b) hereof, a Shelf Registration Statement registering such Security under the Securities Act has been declared or becomes effective and such Security has been sold or otherwise transferred by the holder thereof pursuant to and in a manner contemplated by such effective Shelf Registration Statement; (iii) such Security is sold pursuant to Rule 144 under circumstances in which any legend borne by such Security relating to restrictions on transferability thereof, under the Securities Act or otherwise, is removed by the Company or pursuant to the Indenture; (iv) such Security is eligible to be sold pursuant to paragraph (k) of Rule 144; or (v) such Security shall cease to be outstanding.

"Registration Default" shall have the meaning assigned thereto in Section 2(c) hereof.

"Registration Expenses" shall have the meaning assigned thereto in Section 4 hereof.

"Resale Period" shall have the meaning assigned thereto in Section 2(a) hereof.

"Restricted Holder" shall mean (i) a holder that is an affiliate of the Company within the meaning of Rule 405, (ii) a holder who acquires Exchange Securities outside the ordinary course of such holder's business, (iii) a holder who has arrangements or understandings with any person to participate in the Exchange Offer for the purpose of distributing Exchange Securities and (iv) a holder that is a broker-dealer, but only with respect to Exchange Securities received by such broker-dealer pursuant to an Exchange Offer in exchange for Registrable Securities acquired by the broker-dealer directly from the Company.

"Rule 144," "Rule 405" and "Rule 415" shall mean, in each case, such rule promulgated under the Securities Act (or any successor provision), as the same may be amended from time to time.

"Securities" shall mean, collectively, the 6.250% Senior Notes due 2013 of the Company to be issued and sold to the Initial Purchasers, and securities issued in exchange therefor or in lieu thereof pursuant to the Indenture.

"Securities Act" shall mean the Securities Act of 1933, as amended, or any successor thereto, as the same may be amended from time to time.

"Shelf Registration" shall have the meaning assigned thereto in Section 2(b) hereof.

"Shelf Registration Statement" shall have the meaning assigned thereto in Section 2(b) hereof.

"Trust Indenture Act" shall mean the Trust Indenture Act of 1939, or any successor thereto, and the rules, regulations and forms promulgated thereunder, all as the same may be amended from time to time.

Unless the context otherwise requires, any reference herein to a "Section" or "clause" refers to a Section or clause, as the case may be, of this Exchange and Registration Rights Agreement, and the words "herein," "hereof" and "hereunder" and other words of similar import refer to this Exchange and Registration Rights Agreement as a whole and not to any particular Section or other subdivision.

2. Registration Under the Securities Act.

(a) Except as set forth in Section 2(b) below, the Company agrees to file under the Securities Act, as soon as practicable, but no later than 90 days after the Closing Date, a registration statement relating to an offer to exchange (such registration statement, the "Exchange Registration Statement", and such offer, the "Exchange Offer") any and all of the Securities for a like aggregate principal amount of debt securities issued by the Company, which debt securities are substantially identical to the Securities (and are entitled to the benefits of a trust indenture which is substantially identical to the Indenture or is the Indenture and which has been qualified under the Trust Indenture Act), except that they have been registered pursuant to an effective registration statement under the Securities Act and do not contain provisions for the Additional Interest contemplated in Section

2(c) below (such new debt securities hereinafter called "Exchange Securities"). The Company agrees to use its reasonable best efforts to cause the Exchange Registration Statement to become effective under the Securities Act as soon as practicable, but no later than 180 days after the Closing Date. The Exchange Offer will be registered under the Securities Act on the appropriate form and will comply with all applicable tender offer rules and regulations under the Exchange Act. The Company further agrees to use its reasonable best efforts to commence and complete the Exchange Offer promptly, but no later than 210 days after the Closing Date, hold the Exchange Offer open for not less than 20 Business Days and not more than 30 Business Days and exchange Exchange Securities for all Registrable Securities that have been properly tendered and not withdrawn on or prior to the expiration of the Exchange Offer.

The Exchange Offer will be deemed to have been "completed" only if the debt securities received by holders other than Restricted Holders in the Exchange Offer for Registrable Securities are, upon receipt, transferable by each such holder without restriction under the Securities Act and the Exchange Act and without material restrictions under the blue sky or securities laws of a substantial majority of the States of the United States of America. The Exchange Offer shall be deemed to have been completed upon the earlier to occur of (i) the Company having exchanged the Exchange Securities for all outstanding Registrable Securities pursuant to the Exchange Offer and (ii) the Company having exchanged, pursuant to the Exchange Offer, Exchange Securities for all Registrable Securities that have been properly tendered and not withdrawn before the expiration of the Exchange Offer, which shall be on a date that is not less than 20 Business Days and not more than 30 Business Days following the commencement of the Exchange Offer.

The Company agrees (x) to include in the Exchange Registration Statement a prospectus for use in any resale by any holder of Exchange Securities that is a broker-dealer and (y) to keep such Exchange Registration Statement effective for a period (the "Resale Period") beginning when Exchange Securities are first issued in the Exchange Offer and ending upon the earlier of the expiration of the 180th day after the Exchange Offer has been completed or such time as such broker-dealers no longer own any Registrable Securities. With respect to such Exchange Registration Statement, such holders shall have the benefit of the rights of indemnification and contribution set forth in Sections 6(a), (c), (d) and (e) hereof.

The Company agrees that, prior to effectiveness of the Exchange Offer Registration Statement, it will provide a supplemental letter to the Commission (A) stating that the Company is conducting the Registered Exchange Offer in reliance on the position of the Commission in EXXON CAPITAL HOLDINGS CORPORATION (pub. avail. May 13, 1988),

MORGAN STANLEY AND CO., INC. (pub. avail. June 5, 1991); and (B) including a representation that the Company has not entered into any arrangement or understanding with any person to distribute the New Securities to be received in the Registered Exchange Offer and that, to the Company's knowledge, each holder participating in the Registered Exchange Offer is acquiring the New Securities in the ordinary course of business and has no arrangement or understanding with any person to participate in the distribution of the New Securities.

(b) If (i) on or prior to the time the Exchange Offer is completed existing Commission interpretations are changed such that the debt securities received by holders other than Restricted Holders in the Exchange Offer for Registrable Securities are not or would not be, upon receipt, transferable by each such holder without restriction under the Securities Act, (ii) the Exchange Offer has not been completed within 225 days following the Closing Date or (iii) the Exchange Offer is not available to any holder of the Securities, the Company shall, in lieu of (or, in the case of clause (iii), in addition to) conducting the Exchange Offer contemplated by Section 2(a), file under the Securities Act as soon as practicable, but no later than the later of 30 days after the time such obligation to file arises, a "shelf" registration statement providing for the registration of, and the sale on a continuous or delayed basis by the holders of, all of the Registrable Securities, pursuant to Rule 415 or any similar rule that may be adopted by the Commission (such filing, the "Shelf Registration" and such registration statement, the "Shelf Registration Statement").

The Company agrees to use its reasonable best efforts (x) to cause the Shelf Registration Statement to become or be declared effective no later than 210 days after the Closing Date and to keep such Shelf Registration Statement continuously effective for a period ending on the earlier of the second anniversary of the Effective Time or such time as there are no longer any Registrable Securities outstanding, provided, however, that no holder shall be entitled to be named as a selling securityholder in the Shelf Registration Statement or to use the prospectus forming a part thereof for resales of Registrable Securities unless such holder is an Electing Holder, and (y) after the Effective Time of the Shelf Registration Statement, promptly upon the request of any holder of Registrable Securities that is not then an Electing Holder, to take any action reasonably necessary to enable such holder to use the prospectus forming a part thereof for resales of Registrable Securities, including, without limitation, any action necessary to identify such holder as a selling securityholder in the Shelf Registration Statement, provided, however, that nothing in this Clause (y) shall relieve any such holder of the obligation to return a completed and signed Notice and Questionnaire to the Company in accordance with Section 3(d)(iii) hereof. The Company further agrees to supplement or make amendments to the Shelf Registration Statement, as and when required by the rules, regulations or instructions applicable to the registration form used by the Company for such Shelf Registration Statement or by the Securities Act or rules and

regulations thereunder for shelf registration, and the Company agrees to furnish to each Electing Holder copies of any such supplement or amendment prior to its being used or promptly following its filing with the Commission if such amendment or supplement is not made available on the Commission's EDGAR System.

(c) In the event that (i) the Company has not filed the Exchange Registration Statement or Shelf Registration Statement on or before the date on which such registration statement is required to be filed pursuant to Section 2(a) or 2(b), respectively, or (ii) such Exchange Registration Statement or Shelf Registration Statement has not become effective or been declared effective by the Commission on or before the date on which such registration statement is required to become or be declared effective pursuant to Section 2(a) or 2(b), respectively, or (iii) the Exchange Offer has not been completed within 45 Business Days after the initial effective date of the Exchange Registration Statement relating to the Exchange Offer (if the Exchange Offer is then required to be made) or (iv) any Exchange Registration Statement or Shelf Registration Statement required by Section 2(a) or 2(b) hereof is filed and declared effective but shall thereafter either be withdrawn by the Company or shall become subject to an effective stop order issued pursuant to Section 8(d) of the Securities Act suspending the effectiveness of such registration statement (except as specifically permitted herein) without being succeeded immediately by an additional registration statement filed and declared effective (each such event referred to in clauses (i) through (iv), a "Registration Default" and each period during which a Registration Default has occurred and is continuing, a "Registration Default Period"), then, as liquidated damages for such Registration Default, subject to the provisions of Section 9(b), Additional Interest ("Additional Interest"), in addition to the Base Interest, shall accrue at a per annum rate of 0.25% until all Registration Defaults have been cured.

(d) The Company shall take all reasonable actions necessary or advisable to be taken by it to ensure that the transactions contemplated herein are effected as so contemplated.

(e) Any reference herein to a registration statement as of any time shall be deemed to include any document incorporated, or deemed to be incorporated, therein by reference as of such time and any reference herein to any post-effective amendment to a registration statement as of any time shall be deemed to include any document incorporated, or deemed to be incorporated, therein by reference as of such time.

(f) During any 365-day period, the Company may suspend the use of the Prospectus for up to four periods not to exceed 45 consecutive days (other than the consecutive 45-day period immediately prior to the maturity of the Securities) or an aggregate of 90 days in any 12-month period if the Board of Directors of the Company shall have determined in good faith that because of valid business reasons (not including avoidance of the Company's obligations hereunder), including the acquisition or divestiture of assets, pending corporate developments and similar events, it is in the best interests of the Company to

suspend such use, and prior to suspending such use the Company provides the holders with written notice of such suspension, which notice need not specify the nature of the event giving rise to such suspension.

3. Registration Procedures.

If the Company files a registration statement pursuant to Section 2(a) or Section 2(b), the following provisions shall apply:

(a) At or before the Effective Time of the Exchange Offer or the Shelf Registration, as the case may be, the Company shall qualify the Indenture under the Trust Indenture Act of 1939.

(b) In the event that such qualification would require the appointment of a new trustee under the Indenture, the Company shall appoint a new trustee thereunder pursuant to the applicable provisions of the Indenture.

(c) In connection with the Company's obligations with respect to the registration of Exchange Securities as contemplated by Section 2(a) (the "Exchange Registration"), if applicable, the Company shall, as soon as practicable (or as otherwise specified):

(i) prepare and file with the Commission, as soon as practicable but no later than 90 days after the Closing Date, an Exchange Registration Statement on any form which may be utilized by the Company and which shall permit the Exchange Offer and resales of Exchange Securities by broker-dealers during the Resale Period to be effected as contemplated by Section 2(a), and use its reasonable best efforts to cause such Exchange Registration Statement to become effective as soon as practicable thereafter, but no later than 180 days after the Closing Date;

(ii) as soon as practicable prepare and file with the Commission such amendments and supplements to such Exchange Registration Statement and the prospectus included therein as may be necessary to effect and maintain the effectiveness of such Exchange Registration Statement for the periods and purposes contemplated in Section 2(a) hereof and as may be required by the applicable rules and regulations of the Commission and the instructions applicable to the form of such Exchange Registration Statement, and promptly provide each broker-dealer holding Exchange Securities with such number of copies of the prospectus included therein (as then amended or supplemented), in conformity in all material respects with the requirements of the Securities Act and the Trust Indenture Act and the rules and regulations of the Commission thereunder, as such broker-dealer reasonably may request prior to the expiration of the Resale Period, for use in connection with resales of Exchange Securities;

(iii) promptly give written notice to each broker-dealer that has requested or received copies of the prospectus included in such registration statement, and confirm such advice in writing, (A) when such Exchange Registration Statement or the prospectus included therein or any prospectus amendment or supplement or post-effective amendment has been filed, and, with respect to such Exchange Registration Statement or any post-effective amendment, when the same has become effective, (B) of any comments by the Commission and by the blue sky or securities commissioner or regulator of any state with respect thereto or any request by the Commission for amendments or supplements to such Exchange Registration Statement or prospectus or for additional information, (C) of the issuance by the Commission of any stop order suspending the effectiveness of such Exchange Registration Statement or the initiation or threatening of any proceedings for that purpose, (D) if at any time the representations and warranties of the Company contemplated by Section 5 cease to be true and correct in all material respects, (E) of the receipt by the Company of any notification with respect to the suspension of the qualification of the Exchange Securities for sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose, or (F) at any time during the Resale Period when a prospectus is required to be delivered under the Securities Act, that such Exchange Registration Statement, prospectus, prospectus amendment or supplement or post-effective amendment to the Company's knowledge does not conform in all material respects to the applicable requirements of the Securities Act and the Trust Indenture Act and the rules and regulations of the Commission thereunder or contains an untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading;

(iv) in the event that the Company would be required, pursuant to Section 3(e)(iii)(F) above, to notify any broker-dealers holding Exchange Securities, as soon as practicable prepare and furnish to each such holder a reasonable number of copies of a prospectus supplemented or amended so that, as thereafter delivered to purchasers of such Exchange Securities during the Resale Period, such prospectus shall conform in all material respects to the applicable requirements of the Securities Act and the Trust Indenture Act and the rules and regulations of the Commission thereunder and shall 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 light of the circumstances in which they were made, not misleading;

(v) use its reasonable best efforts to obtain the withdrawal of any order suspending the effectiveness of such Exchange Registration Statement or any post-effective amendment thereto at the earliest practicable date;

(vi) use its reasonable best efforts to (A) register or qualify the Exchange Securities under the securities laws or blue sky laws of such jurisdictions as are contemplated by Section 2(a) no later than the commencement of the Exchange Offer, (B) keep such registrations or qualifications in effect and comply with such laws so as to permit the continuance of offers, sales and dealings therein in such jurisdictions until the expiration of the Resale Period and (C) cooperate with the Initial Purchasers in endeavoring to qualify the Securities for sale under the securities laws of such jurisdictions as the Initial Purchasers may reasonably have designated in writing and will make such applications, file such documents and furnish such information as may be reasonably required for that purpose; provided, however, that the Company shall not be required for any such purpose to (1) qualify as a foreign corporation in any jurisdiction wherein it would not otherwise be required to qualify but for the requirements of this Section 3(c)(vi), (2) consent to general service of process in any such jurisdiction or (3) make any changes to its certificate of incorporation or by-laws or any agreement between it and its stockholders;

(vii) use its reasonable best efforts to obtain the consent or approval of each governmental agency or authority, whether federal, state or local, which may be required to effect the Exchange Registration, the Exchange Offer and the offering and sale of Exchange Securities by broker-dealers during the Resale Period;

(viii) provide a CUSIP number for all Exchange Securities, not later than the applicable Effective Time; and

(ix) comply with all applicable rules and regulations of the Commission, and make generally available to its securityholders as soon as practicable but no later than eighteen months after the Effective Time of such Exchange Registration Statement, an earning statement of the Company and its subsidiaries complying with Section 11(a) of the Securities Act (including, at the option of the Company, Rule 158 thereunder).

(d) In connection with the Company's obligations with respect to the Shelf Registration, if applicable, the Company shall, as soon as practicable (or as otherwise specified):

(i) prepare and file with the Commission, as soon as practicable but in any case within the time periods specified in Section 2(b), a Shelf Registration Statement on any form which may be utilized by the Company and which shall register all of the Registrable Securities for resale by the holders thereof in accordance with such method or methods of disposition as may be specified by such of the holders as,

from time to time, may be Electing Holders and use its reasonable best efforts to cause such Shelf Registration Statement to become effective as soon as practicable but in any case within the time periods specified in Section 2(b);

(ii) not less than 30 calendar days prior to the Effective Time of the Shelf Registration Statement, mail the Notice and Questionnaire to the holders of Registrable Securities; no holder shall be entitled to be named as a selling securityholder in the Shelf Registration Statement as of the Effective Time, and no holder shall be entitled to use the prospectus forming a part thereof for resales of Registrable Securities at any time, unless such holder has returned a completed and signed Notice and Questionnaire to the Company by the deadline for response set forth therein; provided, however, holders of Registrable Securities shall have at least 28 calendar days from the date on which the Notice and Questionnaire is first mailed to such holders to return a completed and signed Notice and Questionnaire to the Company;

(iii) after the Effective Time of the Shelf Registration Statement, upon the request of any holder of Registrable Securities that is not then an Electing Holder, promptly send a Notice and Questionnaire to such holder; provided that the Company shall not be required to take any action to name such holder as a selling securityholder in the Shelf Registration Statement or to enable such holder to use the prospectus forming a part thereof for resales of Registrable Securities until such holder has returned a completed and signed Notice and Questionnaire to the Company;

(iv) as soon as practicable prepare and file with the Commission such amendments and supplements to such Shelf Registration Statement and the prospectus included therein as may be necessary to effect and maintain the effectiveness of such Shelf Registration Statement for the period specified in Section 2(b) hereof and as may be required by the applicable rules and regulations of the Commission and the instructions applicable to the form of such Shelf Registration Statement, and furnish to the Electing Holders copies of any such supplement or amendment simultaneously with or prior to its being used or filed with the Commission;

(v) comply with the provisions of the Securities Act with respect to the disposition of all of the Registrable Securities covered by such Shelf Registration Statement in accordance with the intended methods of disposition by the Electing Holders provided for in such Shelf Registration Statement;

(vi) provide (A) the Electing Holders, (B) the underwriters (which term, for purposes of this Exchange and Registration Rights Agreement, shall include a person deemed to be an underwriter within the meaning of Section 2(a)(11) of

the Securities Act), if any, thereof, (C) any sales or placement agent therefor, (D) counsel for any such underwriter or agent and (E) not more than one counsel for all the Electing Holders the opportunity to participate in the preparation of such Shelf Registration Statement, each prospectus included therein or filed with the Commission and each amendment or supplement thereto;

(vii) for a reasonable period prior to the filing of such Shelf Registration Statement, and throughout the period specified in Section 2(b), make available at reasonable times at the Company's principal place of business or such other reasonable place for inspection by the persons referred to in Section 3(d)(vi) who shall certify to the Company that they have a current intention to sell the Registrable Securities pursuant to the Shelf Registration such financial and other information and books and records of the Company, and cause the officers, employees, counsel and independent certified public accountants of the Company to respond to such inquiries, as shall be reasonably necessary, in the judgment of the respective counsel referred to in such Section, to conduct a reasonable investigation within the meaning of Section 11 of the Securities Act; provided, however, that each such party shall be required to maintain in confidence and not to disclose to any other person any information or records reasonably designated by the Company as being confidential, until such time as (A) such information becomes a matter of public record (whether by virtue of its inclusion in such registration statement or otherwise), or (B) such person shall be required so to disclose such information pursuant to a subpoena or order of any court or other governmental agency or body having jurisdiction over the matter (subject to the requirements of such order, and only after such person shall have given the Company prompt prior written notice of such requirement), or (C) such information is required to be set forth in such Shelf Registration Statement or the prospectus included therein or in an amendment to such Shelf Registration Statement or an amendment or supplement to such prospectus in order that such Shelf Registration Statement, prospectus, amendment or supplement, as the case may be, complies with applicable requirements of the federal securities laws and the rules and regulations of the Commission and does not contain an untrue statement of a material fact or omit to state therein a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading;

(viii) promptly notify each of the Electing Holders, any sales or placement agent therefor and any underwriter thereof (which notification may be made through any managing underwriter that is a representative of such underwriter for such purpose) and confirm such advice in writing, (A) when such Shelf Registration Statement or the prospectus included

therein or any prospectus amendment or supplement or post-effective amendment has been filed, and, with respect to such Shelf Registration Statement or any post-effective amendment, when the same has become effective, (B) of any comments by the Commission and by the blue sky or securities commissioner or regulator of any state with respect thereto or any request by the Commission for amendments or supplements to such Shelf Registration Statement or prospectus or for additional information, (C) of the issuance by the Commission of any stop order suspending the effectiveness of such Shelf Registration Statement or the initiation or threatening of any proceedings for that purpose, (D) if at any time the representations and warranties of the Company contemplated by Section 3(d)(xvii) or Section 5 cease to be true and correct in all material respects, (E) of the receipt by the Company of any notification with respect to the suspension of the qualification of the Registrable Securities for sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose, or (F) if at any time when a prospectus is required to be delivered under the Securities Act, that such Shelf Registration Statement, prospectus, prospectus amendment or supplement or post-effective amendment does not conform in all material respects to the applicable requirements of the Securities Act and the Trust Indenture Act and the rules and regulations of the Commission thereunder or contains an untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading;

(ix) use its reasonable best efforts to obtain the withdrawal of any order suspending the effectiveness of such registration statement or any post-effective amendment thereto at the earliest practicable date;

(x) if requested by any managing underwriter or underwriters, any placement or sales agent or any Electing Holder, promptly incorporate in a prospectus supplement or post-effective amendment such information as is required by the applicable rules and regulations of the Commission and as such managing underwriter or underwriters, such agent or such Electing Holder specifies should be included therein relating to the terms of the sale of such Registrable Securities, including information with respect to the principal amount of Registrable Securities being sold by such Electing Holder or agent or to any underwriters, the name and description of such Electing Holder, agent or underwriter, the offering price of such Registrable Securities and any discount, commission or other compensation payable in respect thereof, the purchase price being paid therefor by such underwriters and with respect to any other terms of the offering of the Registrable Securities to be sold by such Electing Holder or agent or to such underwriters; and make all required filings of such prospectus supplement or post-effective amendment promptly after notification of the matters to be incorporated in such prospectus supplement or post-effective amendment;

(xi) furnish to each Electing Holder, each placement or sales agent, if any, therefor, each underwriter, if any, thereof and the respective counsel referred to in Section 3(d)(vi) an executed copy (or, in the case of an Electing Holder, a conformed copy) of such Shelf Registration Statement, each such amendment and supplement thereto (in each case including all exhibits thereto (in the case of an Electing Holder of Registrable Securities, upon request) and documents incorporated by reference therein) and such number of copies of such Shelf Registration Statement (excluding exhibits thereto and documents incorporated by reference therein unless specifically so requested by such Electing Holder, agent or underwriter, as the case may be) and of the prospectus included in such Shelf Registration Statement (including each preliminary prospectus and any summary prospectus), in conformity in all material respects with the applicable requirements of the Securities Act and the Trust Indenture Act and the rules and regulations of the Commission thereunder, and such other documents, as such Electing Holder, agent, if any, and underwriter, if any, may reasonably request in order to facilitate the offering and disposition of the Registrable Securities owned by such Electing Holder, offered or sold by such agent or underwritten by such underwriter and to permit such Electing Holder, agent and underwriter to satisfy the prospectus delivery requirements of the Securities Act; and the Company hereby consents to the use of such prospectus (including such preliminary and summary prospectus) and any amendment or supplement thereto by each such Electing Holder and by any such agent and underwriter, in each case in the form most recently provided to such person by the Company, in connection with the offering and sale of the Registrable Securities covered by the prospectus (including such preliminary and summary prospectus) or any supplement or amendment thereto;

(xii) use reasonable best efforts to (A) register or qualify the Registrable Securities to be included in such Shelf Registration Statement under such securities laws or blue sky laws of such jurisdictions as any Electing Holder and each placement or sales agent, if any, therefor and underwriter, if any, thereof shall reasonably request, (B) keep such registrations or qualifications in effect and comply with such laws so as to permit the continuance of offers, sales and dealings therein in such jurisdictions during the period the Shelf Registration is required to remain effective under Section 2(b) above and for so long as may be necessary to enable any such Electing Holder, agent or underwriter to complete its distribution of Securities pursuant to such Shelf Registration Statement and (C) take such reasonable actions as may be reasonably necessary or advisable to enable each such Electing Holder, agent, if any, and underwriter, if any, to consummate the disposition in such jurisdictions of such Registrable Securities; provided, however, that the Company shall not be required for any such purpose to (1) qualify as a foreign corporation in any jurisdiction wherein it would not otherwise be required to qualify but for the requirements of

this Section 3(d)(xii), (2) consent to general service of process in any such jurisdiction or (3) make any changes to its certificate of incorporation or by-laws or any agreement between it and its stockholders;

(xiii) use its reasonable best efforts to obtain the consent or approval of each governmental agency or authority, whether federal, state or local, which may be required to effect the Shelf Registration or the offering or sale in connection therewith or to enable the selling holder or holders to offer, or to consummate the disposition of, their Registrable Securities;

(xiv) unless any Registrable Securities shall be in book-entry only form, cooperate with the Electing Holders and the managing underwriters, if any, to facilitate the timely preparation and delivery of certificates representing Registrable Securities to be sold, which certificates, if so required by any securities exchange upon which any Registrable Securities are listed, shall be penned, lithographed or engraved, or produced by any combination of such methods, on steel engraved borders, and which certificates shall not bear any restrictive legends; and, in the case of an underwritten offering, enable such Registrable Securities to be in such denominations and registered in such names as the managing underwriters may request at least two business days prior to any sale of the Registrable Securities;

(xv) provide a CUSIP number for all Registrable Securities, not later than the applicable Effective Time;

(xvi) enter into one or more underwriting agreements, engagement letters, agency agreements, "best efforts" underwriting agreements or similar agreements, as appropriate, including customary provisions relating to indemnification and contribution, and take such other actions in connection therewith as any Electing Holders aggregating at least 20% in aggregate principal amount of the Registrable Securities at the time outstanding shall request in order to expedite or facilitate the disposition of such Registrable Securities;

(xvii) whether or not an agreement of the type referred to in Section 3(d)(xvi) hereof is entered into and whether or not any portion of the offering contemplated by the Shelf Registration is an underwritten offering or is made through a placement or sales agent or any other entity, (A) make such representations and warranties to the Electing Holders and the placement or sales agent, if any, therefor and the underwriters, if any, thereof in form, substance and scope as are customarily made in connection with an offering of debt securities pursuant to any appropriate agreement or to a

registration statement filed on the form applicable to the Shelf Registration; (B) obtain an opinion of counsel to the Company in customary form and covering such matters, of the type customarily covered by such an opinion, as the managing underwriters, if any, or as any Electing Holders of at least 20% in aggregate principal amount of the Registrable Securities at the time outstanding may reasonably request, addressed to such Electing Holder or Electing Holders and the placement or sales agent, if any, therefor and the underwriters, if any, thereof and dated the effective date of such Shelf Registration Statement (and if such Shelf Registration Statement contemplates an underwritten offering of a part or all of the Registrable Securities, dated the date of the closing under the underwriting agreement relating thereto) (it being agreed that the matters to be covered by such opinion shall include the due incorporation and good standing of the Company and its subsidiaries; the qualification of the Company and its subsidiaries to transact business as foreign corporations; the due authorization, execution and delivery of the relevant agreement of the type referred to in Section 3(d)(xvi) hereof; the due authorization, execution, authentication and issuance, and the validity and enforceability, of the Securities; the absence of material legal or governmental proceedings involving the Company; the absence of a breach by the Company or any of its subsidiaries of, or a default under, material agreements binding upon the Company or any subsidiary of the Company; the absence of governmental approvals required to be obtained in connection with the Shelf Registration, the offering and sale of the Registrable Securities, this Exchange and Registration Rights Agreement or any agreement of the type referred to in Section 3(d)(xvi) hereof, except such approvals as may be required under state securities or blue sky laws; the material compliance as to form of such Shelf Registration Statement and any documents incorporated by reference therein and of the Indenture with the requirements of the Securities Act and the Trust Indenture Act and the rules and regulations of the Commission thereunder, respectively; and, as of the date of the opinion and of the Shelf Registration Statement or most recent post-effective amendment thereto, as the case may be, the absence from such Shelf Registration Statement and the prospectus included therein, as then amended or supplemented, and from the documents incorporated by reference therein (in each case other than the financial statements and other financial information contained therein) of an untrue statement of a material fact or the omission to state therein a material fact necessary to make the statements therein not misleading (in the case of such documents, in the light of the circumstances existing at the time that such documents were filed with the Commission under the Exchange Act)); (C) obtain a "cold comfort" letter or letters from the independent certified public accountants of the Company addressed to the

selling Electing Holders, the placement or sales agent, if any, therefor or the underwriters, if any, thereof, dated (i) the effective date of such Shelf Registration Statement and (ii) the effective date of any prospectus supplement to the prospectus included in such Shelf Registration Statement or post-effective amendment to such Shelf Registration Statement which includes unaudited or audited financial statements as of a date or for a period subsequent to that of the latest such statements included in such prospectus (and, if such Shelf Registration Statement contemplates an underwritten offering pursuant to any prospectus supplement to the prospectus included in such Shelf Registration Statement or post-effective amendment to such Shelf Registration Statement which includes unaudited or audited financial statements as of a date or for a period subsequent to that of the latest such statements included in such prospectus, dated the date of the closing under the underwriting agreement relating thereto), such letter or letters to be in customary form and covering such matters of the type customarily covered by letters of such type; (D) deliver such documents and certificates, including officers' certificates, as may be reasonably requested by any Electing Holders of at least 20% in aggregate principal amount of the Registrable Securities at the time outstanding or the placement or sales agent, if any, therefor and the managing underwriters, if any, thereof to evidence the accuracy of the representations and warranties made pursuant to clause (A) above or those contained in Section 5(a) hereof and the compliance with or satisfaction of any agreements or conditions contained in the underwriting agreement or other agreement entered into by the Company; and (E) undertake such obligations relating to expense reimbursement, indemnification and contribution as are provided in Section 6 hereof;

(xviii) notify in writing each holder of Registrable Securities of any proposal by the Company to amend or waive any provision of this Exchange and Registration Rights Agreement pursuant to Section 9(h) hereof and of any amendment or waiver effected pursuant thereto, each of which notices shall contain the text of the amendment or waiver proposed or effected, as the case may be;

(xix) in the event that any broker-dealer registered under the Exchange Act shall underwrite any Registrable Securities or participate as a member of an underwriting syndicate or selling group or "assist in the distribution" (within the meaning of the Conduct Rules (the "Conduct Rules") of the National Association of Securities Dealers, Inc. ("NASD") or any successor thereto, as amended from time to time) thereof, whether as a holder of such Registrable Securities or as an underwriter, a placement or sales agent or a broker or dealer in respect thereof, or otherwise, assist such broker-dealer in complying with the requirements of such Conduct Rules, including by (A) if such Conduct Rules shall so require, engaging a "qualified independent underwriter" (as defined in such Conduct Rules) to participate in the preparation of the Shelf Registration Statement relating to such Registrable Securities, to exercise usual standards of due diligence in respect thereto and, if any portion of the offering contemplated by such Shelf Registration Statement is an underwritten offering or is made through a placement or

sales agent, to recommend the yield of such Registrable Securities, (B) indemnifying any such qualified independent underwriter to the extent of the indemnification of underwriters provided in Section 6 hereof, and (C) providing such information to such broker-dealer as may be reasonably required in order for such broker-dealer to comply with the requirements of the Conduct Rules; and

(xx) comply with all applicable rules and regulations of the Commission, and make generally available to its securityholders as soon as practicable but in any event not later than eighteen months after the effective date of such Shelf Registration Statement, an earning statement of the Company and its subsidiaries complying with Section 11(a) of the Securities Act (including, at the option of the Company, Rule 158 thereunder).

(e) In the event that the Company would be required, pursuant to Section 3(d)(viii)(F) above, to notify the Electing Holders, the placement or sales agent, if any, therefor and the managing underwriters, if any, thereof, the Company shall promptly prepare and furnish to each of the Electing Holders, to each placement or sales agent, if any, and to each such underwriter, if any, a reasonable number of copies of a prospectus supplemented or amended so that, as thereafter delivered to purchasers of Registrable Securities, such prospectus shall conform in all material respects to the applicable requirements of the Securities Act and the Trust Indenture Act and the rules and regulations of the Commission thereunder and shall 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 light of the circumstances in which they were made, not misleading. Each Electing Holder agrees that upon receipt of any notice from the Company pursuant to Section 3(d)(viii)(F) hereof, such Electing Holder shall forthwith discontinue the disposition of Registrable Securities pursuant to the Shelf Registration Statement applicable to such Registrable Securities until such Electing Holder shall have received copies of such amended or supplemented prospectus, and if so directed by the Company, such Electing Holder shall deliver to the Company (at the Company's expense) all copies, other than permanent file copies, then in such Electing Holder's possession of the prospectus covering such Registrable Securities at the time of receipt of such notice.

(f) In the event of a Shelf Registration, in addition to the information required to be provided by each Electing Holder in its Notice Questionnaire, the Company may require such Electing Holder to furnish to the Company such additional information regarding such Electing Holder and such Electing Holder's intended method of distribution of Registrable Securities as may be required in order to comply with the Securities Act. Each such Electing Holder agrees to notify the Company as promptly as practicable of any inaccuracy or change in information previously furnished by such Electing Holder to the Company or of the occurrence of any event in either case as a result of which any prospectus relating to such Shelf Registration contains or would contain an untrue statement of a material fact regarding such Electing Holder or such Electing Holder's intended method of disposition of such Registrable Securities or omits to state

any material fact regarding such Electing Holder or such Electing Holder's intended method of disposition of such Registrable Securities required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading, and promptly to furnish to the Company any additional information required to correct and update any previously furnished information or required so that such prospectus shall not contain, with respect to such Electing Holder or the disposition of such Registrable Securities, 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 in light of the circumstances then existing.

(g) Until the expiration of two years after the Closing Date, the Company will not, and will not permit any of its "affiliates" (as defined in Rule 144) to, resell any of the Securities that have been reacquired by any of them except pursuant to an effective registration statement under the Securities Act.

4. Registration Expenses.

The Company agrees to bear and to pay or cause to be paid promptly all expenses incident to the Company's performance of or compliance with this Exchange and Registration Rights Agreement, including (a) all Commission and any NASD registration, filing and review fees and expenses including reasonable fees and disbursements of counsel for the placement or sales agent or underwriters in connection with such registration, filing and review, (b) all reasonable fees and expenses in connection with the qualification of the Securities for offering and sale under the State securities and blue sky laws referred to in Section 3(d)(xii) hereof and determination of their eligibility for investment under the laws of such jurisdictions as any managing underwriters or the Electing Holders may reasonably designate, PROVIDED that the Company shall not be required to (1) qualify as a foreign corporation, (2) to file a general consent to service of process in any jurisdiction where it is not now so qualified or required to file such a consent or (3) make any changes to its certificate of incorporation or by-laws or any agreement between it and its stockholders, including any reasonable fees and disbursements of counsel for the Electing Holders or underwriters in connection with such qualification and determination, (c) all reasonable expenses relating to the preparation, printing, production, distribution and reproduction of each registration statement required to be filed hereunder, each prospectus included therein or prepared for distribution pursuant hereto, each amendment or supplement to the foregoing, the reasonable expenses of preparing the Securities for delivery and the expenses of printing or producing any underwriting agreements, agreements among underwriters, selling agreements and blue sky or legal investment memoranda and all other documents in connection with the offering, sale or delivery of Securities to be disposed of (including

certificates representing the Securities), (d) messenger, telephone and delivery expenses relating to the offering, sale or delivery of Securities and the preparation of documents referred in clause (c) above, (e) reasonable fees and expenses of the Trustee under the Indenture, any agent of the Trustee and any counsel for the Trustee and of any collateral agent or custodian, (f) internal expenses (including all salaries and expenses of the Company's officers and employees performing legal or accounting duties), (g) reasonable fees, disbursements and expenses of counsel and independent certified public accountants of the Company (including the expenses of any opinions or "cold comfort" letters required by or incident to such performance and compliance), (h) reasonable fees, disbursements and expenses of any "qualified independent underwriter" engaged pursuant to Section 3(d)(xix) hereof, (i) reasonable fees, disbursements and expenses of one counsel for the Electing Holders retained in connection with a Shelf Registration, as selected by the Electing Holders of at least a majority in aggregate principal amount of the Registrable Securities held by Electing Holders (which counsel shall be reasonably satisfactory to the Company), (j) any fees charged by securities rating services for rating the Securities, and (k) reasonable fees, expenses and disbursements of any other persons, including special experts, retained by the Company in connection with such registration (collectively, the "Registration Expenses"). To the extent that any Registration Expenses are incurred, assumed or paid by any holder of Registrable Securities or any placement or sales agent therefor or underwriter thereof, the Company shall reimburse such person for the full amount of the Registration Expenses so incurred, assumed or paid promptly after receipt of a request therefor. Notwithstanding the foregoing, the holders of the Registrable Securities being registered shall pay all agency fees and commissions and underwriting discounts and commissions attributable to the sale of such Registrable Securities and the fees and disbursements of any counsel or other advisors or experts retained by such holders (severally or jointly), other than the counsel and experts specifically referred to above.

5. Representations and Warranties.

The Company represents and warrants to, and agrees with, each Purchaser and each of the holders from time to time of Registrable Securities that:

(a) Each registration statement covering Registrable Securities and each prospectus (including any preliminary or summary prospectus) contained therein or furnished pursuant to Section 3(d) or Section 3(c) hereof and any further amendments or supplements to any such registration statement or prospectus, when it becomes effective or is filed with the Commission, as the case may be, and, in the case of an underwritten offering of Registrable Securities, at the time of the closing under the underwriting agreement relating thereto, will conform in all material respects to the requirements of the Securities Act and the Trust Indenture Act 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; and at all times subsequent to the Effective Time when a prospectus would be

required to be delivered under the Securities Act, other than from (i) such time as a notice has been given to holders of Registrable Securities pursuant to Section 3(d)(viii)(F) or Section 3(c)(iii)(F) hereof until (ii) such time as the Company furnishes an amended or supplemented prospectus pursuant to Section 3(e) or Section 3(c)(iv) hereof, each such registration statement, and each prospectus (including any summary prospectus) contained therein or furnished pursuant to Section 3(d) or Section 3(c) hereof, as then amended or supplemented, will conform in all material respects to the requirements of the Securities Act and the Trust Indenture Act 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, in the light of the circumstances in 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 a holder of Registrable Securities expressly for use therein.

(b) Any documents incorporated by reference in any prospectus referred to in Section 5(a) hereof, when they become or became effective or are or were filed with the Commission, as the case may be, will conform or conformed in all material respects to the requirements of the Securities Act or the Exchange Act, as applicable, and none of such documents will contain or contained an untrue statement of a material fact or will omit or omitted 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 a holder of Registrable Securities expressly for use therein.

(c) The compliance by the Company with all of the provisions of this Exchange and Registration Rights Agreement and the consummation of the transactions herein contemplated will not conflict with or result in a material breach of any of the terms or provisions of, or constitute a default under, any material indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company or any subsidiary of the Company is a party or by which the Company or any subsidiary of the Company is bound or to which any of the property or assets of the Company or any subsidiary of the Company is subject, nor will such action result in any violation of the provisions of the certificate of incorporation, as amended, or the by-laws of the Company or any material violation of any statute or any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Company or any subsidiary of the Company 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 consummation by the Company of the transactions contemplated by this Exchange and Registration Rights Agreement, except the registration under the Securities Act of the Securities, qualification of the Indenture 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 offering and distribution of the Securities.

(d) This Exchange and Registration Rights Agreement has been duly authorized, executed and delivered by the Company.

6. Indemnification.

(a) Indemnification by the Company. The Company will indemnify and hold harmless each of the holders of Registrable Securities included in an Exchange Registration Statement, each of the Electing Holders of Registrable Securities included in a Shelf Registration Statement and each person who participates as a placement or sales agent or as an underwriter in any offering or sale of such Registrable Securities against any losses, claims, damages or liabilities, joint or several, to which such holder, agent or underwriter may become subject under the Securities 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 Exchange Registration Statement or Shelf Registration Statement, as the case may be, under which such Registrable Securities were registered under the Securities Act, or any preliminary, final or summary prospectus contained therein or furnished by the Company to any such holder, Electing Holder, agent or underwriter, 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 such holder, such Electing Holder, such agent and such underwriter for any legal or other expenses reasonably incurred by them in connection with investigating or defending any such action or claim as such expenses are incurred; provided, however, that the Company shall not be liable to any such person 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 such registration statement, or preliminary, final or summary prospectus, or amendment or supplement thereto, in reliance upon and in conformity with written information furnished to the Company by such person expressly for use therein.

(b) Indemnification by the Holders and any Agents and Underwriters. The Company may require, as a condition to including any Registrable Securities in any registration statement filed pursuant to Section 2(b) hereof and to entering into any underwriting agreement with respect thereto, that the Company shall have received an undertaking reasonably satisfactory to it from the Electing Holder of such Registrable Securities and from each underwriter named in any such underwriting agreement, severally and not jointly, to (i) indemnify and hold harmless the Company, and all other holders of Registrable Securities, against any losses, claims, damages or liabilities to which the Company or such other holders of Registrable Securities may become subject, under the Securities 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 such registration statement, or any preliminary, final or summary prospectus contained therein or

furnished by the Company to any such Electing Holder, agent or underwriter, 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 reliance upon and in conformity with written information furnished to the Company by such Electing Holder or underwriter expressly for use therein, and (ii) 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; provided, however, that no such Electing Holder shall be required to undertake liability to any person under this Section 6(b) for any amounts in excess of the dollar amount of the proceeds to be received by such Electing Holder from the sale of such Electing Holder's Registrable Securities pursuant to such registration.

(c) Notices of Claims, Etc. Promptly after receipt by an indemnified party under subsection (a) or (b) above of written notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against an indemnifying party pursuant to the indemnification provisions of or contemplated by this Section 6, notify such indemnifying party in writing of the commencement of such action. No indemnification provided for in Section 6(a) or 6(b) shall be available to any party who shall fail to give notice as provided in this Section 6(c) if the party to whom notice was not given was unaware of the proceeding to which such notice would have related and was materially prejudiced by the failure to give such notice, but the failure to give such notice shall not relieve the indemnifying party or parties from any liability which it or they may have to the indemnified party for contribution or otherwise than on account of the provisions of Section 6(a) or 6(b). In case any such action shall be brought against any indemnified party and it shall notify an indemnifying party of the commencement thereof, such 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 reasonably 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, such indemnifying party shall not be liable to such indemnified party 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. Neither party shall, without the written consent of the other party, effect the settlement or compromise of, or consent to the entry of any judgment with respect to, any pending or threatened action or claim in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified party is an actual or potential party to such action or claim) unless such settlement, compromise or judgment (i) includes an unconditional release of the other party from all liability arising out of such action or claim and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act by or on behalf of the other party.

(d) Contribution. If for any reason the indemnification provisions contemplated by Section 6(a) or Section 6(b) are unavailable to or insufficient to hold harmless an indemnified party 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 fault of the indemnifying party and the indemnified party 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 fault of such indemnifying party and indemnified party shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact relates to information supplied by such indemnifying party or by such indemnified party, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The parties hereto agree that it would not be just and equitable if contributions pursuant to this Section 6(d) were determined by pro rata allocation (even if the holders or any agents or underwriters or all of them were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to in this Section 6(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 shall be deemed to include any legal or other fees or expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this Section 6(d), no holder shall be required to contribute any amount in excess of the amount by which the dollar amount of the proceeds received by such holder from the sale of any Registrable Securities (after deducting any fees, discounts and commissions applicable thereto) exceeds the amount of any damages which such holder has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission, and no underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the Registrable Securities underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages which such underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The holders' and any underwriters' obligations in this Section 6(d) to contribute shall be several in proportion to the principal amount of Registrable Securities registered or underwritten, as the case may be, by them and not joint.

(e) The obligations of the Company under this Section 6 shall be in addition to any liability which the Company may otherwise have and shall extend, upon the same terms and conditions, to each officer, director and partner of each holder, agent and underwriter and each person, if any, who controls any holder, agent or underwriter within

the meaning of the Securities Act; and the obligations of the holders and any agents or underwriters contemplated by this Section 6 shall be in addition to any liability which the respective holder, agent or underwriter may otherwise have and shall extend, upon the same terms and conditions, to each officer and director of the Company (including any person who, with his consent, is named in any registration statement as about to become a director of the Company) and to each person, if any, who controls the Company within the meaning of the Securities Act.

7. Underwritten Offerings.

(a) Selection of Underwriters. If any of the Registrable Securities covered by the Shelf Registration are to be sold pursuant to an underwritten offering, the managing underwriter or underwriters thereof shall be designated by Electing Holders holding at least a majority in aggregate principal amount of the Registrable Securities to be included in such offering, provided that such designated managing underwriter or underwriters is or are reasonably acceptable to the Company.

(b) Participation by Holders. Each holder of Registrable Securities hereby agrees with each other such holder that no such holder may participate in any underwritten offering hereunder unless such holder (i) agrees to sell such holder's Registrable Securities on the basis provided in any underwriting arrangements approved by the persons entitled hereunder to approve such arrangements and (ii) completes and executes all questionnaires, powers of attorney, indemnities, underwriting agreements and other documents reasonably required under the terms of such underwriting arrangements.

8. Rule 144.

The Company covenants to the holders of Registrable Securities that to the extent it shall be required to do so under the Exchange Act, the Company shall timely file the reports required to be filed by it under the Exchange Act or the Securities Act (including the reports under Section 13 and 15(d) of the Exchange Act referred to in subparagraph (c)(1) of Rule 144 adopted by the Commission under the Securities Act) and the rules and regulations adopted by the Commission thereunder, and shall take such further action as any holder of Registrable Securities may reasonably request, all to the extent required from time to time to enable such holder to sell Registrable Securities without registration under the Securities Act within the limitations of the exemption provided by Rule 144 under the Securities Act, as such Rule may be amended from time to time, or any similar or successor rule or regulation hereafter adopted by the Commission. Upon the request of any holder of Registrable Securities in connection with that holder's sale pursuant to Rule 144, the Company shall deliver to such holder a written statement as to whether it has complied with such requirements.

9. Miscellaneous.

(a) No Inconsistent Agreements. The Company represents, warrants, covenants and agrees that it has not granted, and shall not grant, registration rights with respect to Registrable Securities or any other securities which would be inconsistent with the terms contained in this Exchange and Registration Rights Agreement.

(b) Specific Performance. The parties hereto acknowledge that there would be no adequate remedy at law if the Company fails to perform any of its obligations hereunder and that the Initial Purchasers and the holders from time to time of the Registrable Securities may be irreparably harmed by any such failure, and accordingly agree that the Initial Purchasers and such holders, in addition to any other remedy to which they may be entitled at law or in equity, shall be entitled to compel specific performance of the obligations of the Company under this Exchange and Registration Rights Agreement in accordance with the terms and conditions of this Exchange and Registration Rights Agreement, in any court of the United States or any State thereof having jurisdiction.

(c) Notices. All notices, requests, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been duly given when delivered by hand, if delivered personally or by courier, or three days after being deposited in the mail (registered or certified mail, postage prepaid, return receipt requested) as follows: If to the Company, to it at 2200 Old Germantown Road, Delray Beach, Florida 33445, and if to a holder, to the address of such holder set forth in the security register or other records of the Company, or to such other address as the Company or any such holder may have furnished to the other in writing in accordance herewith, except that notices of change of address shall be effective only upon receipt.

(d) Parties in Interest. All the terms and provisions of this Exchange and Registration Rights Agreement shall be binding upon, shall inure to the benefit of and shall be enforceable by the parties hereto and the holders from time to time of the Registrable Securities and the respective successors and assigns of the parties hereto and such holders. In the event that any transferee of any holder of Registrable Securities shall acquire Registrable Securities, in any manner, whether by gift, bequest, purchase, operation of law or otherwise, such transferee shall, without any further writing or action of any kind, be deemed a beneficiary hereof for all purposes and such Registrable Securities shall be held subject to all of the terms of this Exchange and Registration Rights Agreement, and by taking and holding such Registrable Securities such transferee shall be entitled to receive the benefits of, and be conclusively deemed to have agreed to be bound by all of the applicable terms and provisions of this Exchange and Registration Rights Agreement. If the Company shall so request, any such successor, assign or transferee shall agree in writing to acquire and hold the Registrable Securities subject to all of the applicable terms hereof.

(e) Survival. The respective indemnities, agreements, representations, warranties and each other provision set forth in this Exchange and Registration Rights Agreement or made pursuant hereto shall remain in full force and effect regardless of any investigation (or statement as to the results thereof) made by or on behalf of any holder of Registrable Securities, any director, officer or partner of such holder, any agent or underwriter or any director, officer or partner thereof, or any controlling person of any of the foregoing, and shall survive delivery of and payment for the Registrable Securities pursuant to the Purchase Agreement and the transfer and registration of Registrable Securities by such holder and the consummation of an Exchange Offer.

(f) GOVERNING LAW. THIS EXCHANGE AND REGISTRATION RIGHTS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

(g) Headings. The descriptive headings of the several Sections and paragraphs of this Exchange and Registration Rights Agreement are inserted for convenience only, do not constitute a part of this Exchange and Registration Rights Agreement and shall not affect in any way the meaning or interpretation of this Exchange and Registration Rights Agreement.

(h) Entire Agreement; Amendments. This Exchange and Registration Rights Agreement and the other writings referred to herein (including the Indenture and the form of Securities) or delivered pursuant hereto which form a part hereof contain the entire understanding of the parties with respect to its subject matter. This Exchange and Registration Rights Agreement supersedes all prior agreements and understandings between the parties with respect to its subject matter. This Exchange and Registration Rights Agreement may be amended and the observance of any term of this Exchange and Registration Rights Agreement may be waived (either generally or in a particular instance and either retroactively or prospectively) only by a written instrument duly executed by the Company and the holders of at least a majority in aggregate principal amount of the Registrable Securities at the time outstanding. Each holder of any Registrable Securities at the time or thereafter outstanding shall be bound by any amendment or waiver effected pursuant to this Section 9(h), whether or not any notice, writing or marking indicating such amendment or waiver appears on such Registrable Securities or is delivered to such holder.

(i) Inspection. For so long as this Exchange and Registration Rights Agreement shall be in effect, upon written request to the Company, a copy of this Exchange and Registration Rights Agreement and a complete list of the names and addresses of all the holders of Registrable Securities shall be mailed to any holder of Registrable Securities for proper purposes only (which shall include any purpose related to the rights of the holders of Registrable Securities under the Securities, the Indenture and this Agreement).

(j) Counterparts. This agreement may be executed by the parties in 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 one for the Company and each of the Representatives plus one for each counsel counterparts hereof, and upon the acceptance hereof by you, on behalf of each of the Initial Purchasers, this letter and such acceptance hereof shall constitute a binding agreement between each of the Initial Purchasers the Company. It is understood that your acceptance of this letter on behalf of each of the Initial Purchasers is pursuant to the authority set forth in a form of Agreement among the Initial Purchasers, the form of which shall be submitted to the Company for examination upon request, but without warranty on your part as to the authority of the signers thereof.

Very truly yours,

OFFICE DEPOT, INC.

By: /s/ Carolyn Clarke
Name: Carolyn Clarke
Title: Vice President

Accepted as of the date hereof:

CITIGROUP GLOBAL MARKETS INC.
GOLDMAN, SACHS & CO.

BY: CITIGROUP GLOBAL MARKETS INC.

By: /s/ Ian K. Sugarman
Name: Ian K. Sugarman
Title: Vice President

OFFICE DEPOT, INC.

INSTRUCTION TO DTC PARTICIPANTS

(Date of Mailing)

URGENT - IMMEDIATE ATTENTION REQUESTED

DEADLINE FOR RESPONSE: [DATE]*

The Depository Trust Company ("DTC") has identified you as a DTC Participant through which beneficial interests in the Office Depot, Inc. (the "Company") % Senior Notes due (the "Securities") are held. The Company is in the process of registering the Securities under the Securities Act of 1933 for resale by the beneficial owners thereof. In order to have their Securities included in the registration statement, beneficial owners must complete and return the enclosed Notice of Registration Statement and Selling Securityholder Questionnaire.

It is important that beneficial owners of the Securities receive a copy of the enclosed materials as soon as possible as their rights to have the Securities included in the registration statement depend upon their returning the Notice and Questionnaire by [DEADLINE FOR RESPONSE]. Please forward a copy of the enclosed documents to each beneficial owner that holds interests in the Securities through you. If you require more copies of the enclosed materials or have any questions pertaining to this matter, please contact Office Depot, Inc., 2200 Old Germantown Road, Delray Beach, Florida 33445, (561) 438-4800.

*Not less than 28 calendar days from date of mailing.

OFFICE DEPOT, INC.

Notice of Registration Statement
and
Selling Securityholder Questionnaire

(Date)

Reference is hereby made to the Exchange and Registration Rights Agreement (the "Exchange and Registration Rights Agreement") between Office Depot, Inc. (the "Company") and the Purchasers named therein. Pursuant to the Exchange and Registration Rights Agreement, the Company has filed with the United States Securities and Exchange Commission (the "Commission") a registration statement on Form S-3 (the "Shelf Registration Statement") for the registration and resale under Rule 415 of the Securities Act of 1933, as amended (the "Securities Act"), of the Company's % Senior Notes due (the "Securities"). A copy of the Exchange and Registration Rights Agreement is attached hereto. All capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Exchange and Registration Rights Agreement.

Each beneficial owner of Registrable Securities (as defined below) is entitled to have the Registrable Securities beneficially owned by it included in the Shelf Registration Statement. In order to have Registrable Securities included in the Shelf Registration Statement, this Notice of Registration Statement and Selling Securityholder Questionnaire ("Notice and Questionnaire") must be completed, executed and delivered to the Company's counsel at the address set forth herein for receipt ON OR BEFORE [DEADLINE FOR RESPONSE]. Beneficial owners of Registrable Securities who do not complete, execute and return this Notice and Questionnaire by such date (i) will not be named as selling securityholders in the Shelf Registration Statement and (ii) may not use the Prospectus forming a part thereof for resales of Registrable Securities.

Certain legal consequences arise from being named as a selling securityholder in the Shelf Registration Statement and related Prospectus. Accordingly, holders and beneficial owners of Registrable Securities are advised to consult their own securities law counsel regarding the consequences of being named or not being named as a selling securityholder in the Shelf Registration Statement and related Prospectus.

The term "Registrable Securities" is defined in the Exchange and Registration Rights Agreement.

ELECTION

The undersigned holder (the "Selling Securityholder") of Registrable Securities hereby elects to include in the Shelf Registration Statement the Registrable Securities beneficially owned by it and listed below in Item (3). The undersigned, by signing and returning this Notice and Questionnaire, agrees to be bound with respect to such Registrable Securities by the terms and conditions of this Notice and Questionnaire and the Exchange and Registration Rights Agreement, including, without limitation, Section 6 of the Exchange and Registration Rights Agreement, as if the undersigned Selling Securityholder were an original party thereto.

Upon any sale of Registrable Securities pursuant to the Shelf Registration Statement, the Selling Securityholder will be required to deliver to the Company and Trustee the Notice of Transfer set forth in Appendix A to the Prospectus and as Exhibit B to the Exchange and Registration Rights Agreement.

The Selling Securityholder hereby provides the following information to the Company and represents and warrants that such information is accurate and complete:

QUESTIONNAIRE

- (1) (a) Full Legal Name of Selling Securityholder:

- (b) Full Legal Name of Registered Holder (if not the same as in (a) above) of Registrable Securities Listed in Item (3) below:

- (c) Full Legal Name of DTC Participant (if applicable and if not the same as (b) above) Through Which Registrable Securities Listed in Item (3) below are Held:

- (2) Address for Notices to Selling Securityholder:

Telephone: -----
Fax: -----
Contact Person: -----

- (3) Beneficial Ownership of Securities:
Except as set forth below in this Item (3), the undersigned does not beneficially own any Securities.
 - (a) Principal amount of Registrable Securities beneficially owned:

CUSIP No(s). of such Registrable Securities:

 - (b) Principal amount of Securities other than Registrable Securities beneficially owned:

CUSIP No(s). of such other Securities: -----

 - (c) Principal amount of Registrable Securities which the undersigned wishes to be included in the Shelf Registration Statement:

CUSIP No(s). of such Registrable Securities to be included in the Shelf Registration Statement:

(4) Beneficial Ownership of Other Securities of the Company:

Except as set forth below in this Item (4), the undersigned Selling Securityholder is not the beneficial or registered owner of any other securities of the Company, other than the Securities listed above in Item (3).

State any exceptions here:

(5) Relationships with the Company:

Except as set forth below, neither the Selling Securityholder nor any of its affiliates, officers, directors or principal equity holders (5% or more) has held any position or office or has had any other material relationship with the Company (or its predecessors or affiliates) during the past three years.

State any exceptions here:

(6) Plan of Distribution:

Except as set forth below, the undersigned Selling Securityholder intends to distribute the Registrable Securities listed above in Item (3) only as follows (if at all): Such Registrable Securities may be sold from time to time directly by the undersigned Selling Securityholder or, alternatively, through underwriters, broker-dealers or agents. Such Registrable Securities may be sold in one or more transactions at fixed prices, at prevailing market prices at the time of sale, at varying prices determined at the time of sale, or at negotiated prices. Such sales may be effected in transactions (which may involve crosses or block transactions) (i) on any national securities exchange or quotation service on which the Registered Securities may be listed or quoted at the time of sale, (ii) in the over-the-counter market, (iii) in transactions otherwise than on such exchanges or services or in the over-the-counter market, or (iv) through the writing of options. In connection with sales of the Registrable Securities or otherwise, the Selling Securityholder may enter into hedging transactions with broker-dealers, which may in turn engage in short sales of the Registrable Securities in the course of hedging the positions they assume. The Selling Securityholder may also sell Registrable Securities short and deliver Registrable Securities to close out such short positions, or loan or pledge Registrable Securities to broker-dealers that in turn may sell such securities.

State any exceptions here:

By signing below, the Selling Securityholder acknowledges that it understands its obligation to comply, and agrees that it will comply, with the provisions of the Exchange Act and the rules and regulations thereunder, particularly Regulation M.

In the event that the Selling Securityholder transfers all or any portion of the Registrable Securities listed in Item (3) above after the date on which such information is provided to the Company, the Selling Securityholder agrees to notify the transferee(s) at the time of the transfer of its rights and obligations under this Notice and Questionnaire and the Exchange and Registration Rights Agreement.

By signing below, the Selling Securityholder consents to the disclosure of the information contained herein in its answers to Items (1) through (6) above and the inclusion of such information in the Shelf Registration Statement and related Prospectus. The Selling Securityholder understands that such information will be relied upon by the Company in connection with the preparation of the Shelf Registration Statement and related Prospectus.

In accordance with the Selling Securityholder's obligation under Section 3(d) of the Exchange and Registration Rights Agreement to provide such information as may be required by law for inclusion in the Shelf Registration Statement, the Selling Securityholder agrees to promptly notify the Company of any inaccuracies or changes in the information provided herein which may occur subsequent to the date hereof at any time while the Shelf Registration Statement remains in effect. All notices hereunder and pursuant to the Exchange and Registration Rights Agreement shall be made in writing, by hand-delivery, first-class mail, or air courier guaranteeing overnight delivery as follows:

(i) To the Company:

David Fannin, Executive Vice President,
General Counsel and Secretary
Office Depot, Inc.
2200 Old Germantown Road
Delray Beach, Florida 33445

(ii) With a copy to:

Phyllis Korff, Esq.
Skadden, Arps, Slate, Meagher & Flom LLP
Four Times Square
New York, New York 10036

Once this Notice and Questionnaire is executed by the Selling Securityholder and received by the Company's counsel, the terms of this Notice and Questionnaire, and the representations and warranties contained herein, shall be binding on, shall inure to the benefit of and shall be enforceable by the respective successors, heirs, personal representatives, and assigns of the Company and the Selling Securityholder (with respect to the Registrable Securities beneficially owned by such Selling Securityholder and listed in Item (3) above. This Agreement shall be governed in all respects by the laws of the State of New York.

IN WITNESS WHEREOF, the undersigned, by authority duly given, has caused this Notice and Questionnaire to be executed and delivered either in person or by its duly authorized agent.

Dated: _____

Selling Securityholder
(Print/type full legal name of beneficial owner of Registrable Securities)

By: _____

Name:
Title:

PLEASE RETURN THE COMPLETED AND EXECUTED NOTICE AND QUESTIONNAIRE FOR RECEIPT ON OR BEFORE [DEADLINE FOR RESPONSE] TO THE COMPANY'S COUNSEL AT:

_____, Esq.

Skadden, Arps, Slate, Meagher & Flom LLP
Four Times Square
New York, New York 10036

NOTICE OF TRANSFER PURSUANT TO REGISTRATION STATEMENT

[_____]
Office Depot, Inc.
c/o [_____]
[Address of [_____]]

Attention: Trust Officer

Re: Office Depot, Inc. (the "Company")
% Senior Notes due

Dear Sirs:

Please be advised that _____ has transferred \$_____ aggregate principal amount of the above-referenced Notes pursuant to an effective Registration Statement on Form [_____] (File No. 333-_____) filed by the Company.

We hereby certify that the prospectus delivery requirements, if any, of the Securities Act of 1933, as amended, have been satisfied and that the above-named beneficial owner of the Notes is named as a "Selling Holder" in the Prospectus dated _____ or in supplements thereto, and that the aggregate principal amount of the Notes transferred are the Notes listed in such Prospectus opposite such owner's name.

Dated:

Very truly yours,

(Name)

By:

(Authorized Signature)

SCHEDULE I

| INITIAL PURCHASERS | PRINCIPAL AMOUNT OF FIRM SECURITIES TO BE PURCHASED |
|------------------------------------|--|
| Citigroup Capital Markets Inc..... | US \$150,000,000 |
| Goldman, Sachs & Co..... | \$150,000,000 |
| Banc One Capital Markets. Inc..... | \$40,000,000 |
| BNP PARIBAS..... | \$20,000,000 |
| Fleet Securities, Inc..... | \$20,000,000 |
| Wachovia Securities..... | \$20,000,000 |
| Total..... | US \$400,000,000 |

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP
FOUR TIMES SQUARE
NEW YORK, NEW YORK 10036-6522

September 8, 2003

Office Depot, Inc.
2200 Old Germantown Road
Delray Beach, Florida 33445

Re: OFFICE DEPOT, INC. REGISTRATION STATEMENT ON FORM S-4

Ladies and Gentlemen:

We have acted as special counsel to Office Depot, Inc., a Delaware corporation (the "Company"), in connection with the public offering of \$400,000,000 aggregate principal amount of the Company's 6.25% Senior Notes due August 15, 2013 (the "Exchange Notes"). The Exchange Notes are to be issued pursuant to an exchange offer (the "Exchange Offer") in exchange for a like principal amount of the issued and outstanding 6.25% Senior Notes due August 15, 2013 of the Company (the "Original Notes") under the Indenture and the Supplemental Indenture, each dated as of August 11, 2003 (together, the "Indenture"), by and between the Company and SunTrust Bank, as trustee (the "Trustee"), as contemplated by the Exchange and Registration Rights Agreement, dated August 11, 2003 (the "Exchange and Registration Rights Agreement"), by and among the Company, Citigroup Global Markets Inc., Goldman, Sachs & Co., Banc One Capital Markets, Inc., BNP PARIBAS Securities Corp., Fleet Securities, Inc., and Wachovia Capital Markets, LLC.

This opinion is being furnished in accordance with the requirements of Item 601(b)(5) of Regulation S-K under the Securities Act of 1933, as amended (the "Act").

In connection with this opinion, we have examined originals or copies, certified or otherwise identified to our satisfaction, of:

- (i) the Registration Statement on Form S-4 relating to the Exchange Notes to be filed with the Securities and Exchange Commission (the "Commission") on the date hereof under the Act (the "Registration Statement");
- (ii) an executed copy of the Exchange and Registration Rights Agreement;
- (iii) an executed copy of the Indenture;

- (iv) the Restated Certificate of Incorporation of the Company, as certified by the Secretary of State of the State of Delaware;
- (v) the Amended and Restated Bylaws of the Company, as currently in effect;
- (vi) certain resolutions adopted by the Board of Directors of the Company relating to the Exchange Offer, the issuance of the Original Notes and the Exchange Notes, the Indenture and related matters;
- (vii) the Statement of Eligibility and Qualification under the Trust Indenture Act of 1939, as amended, on Form T-1, of the Trustee filed as an exhibit to the Registration Statement; and
- (viii) the form of the Exchange Notes.

We have also examined originals or copies, certified or otherwise identified to our satisfaction, of such records of the Company and such agreements, certificates of public officials, certificates of officers or other representatives of the Company and others, and such other documents, certificates and records as we have deemed necessary or appropriate as a basis for the opinion set forth herein.

In our examination, we have assumed the legal capacity of all natural persons, the genuineness of all signatures, the authenticity of all documents submitted to us as originals, the conformity to original documents of all documents submitted to us as facsimile, electronic, certified, conformed or photostatic copies and the authenticity of the originals of such copies. In making our examination of documents executed or to be executed, we have assumed that the parties thereto, other than the Company, had or will have the power, corporate or other, to enter into and perform all obligations thereunder and have also assumed the due authorization by all requisite action, corporate or other, and execution and delivery by such parties of such documents and the validity and binding effect thereof on such parties. As to any facts material to the opinion expressed herein that we have not independently established or verified, we have relied upon statements and representations of officers and other representatives of the Company and others.

Our opinion set forth herein is limited to the Delaware corporate law and the laws of the State of New York that are normally applicable to transactions of the type contemplated by the Exchange Offer and, to the extent that judicial or regulatory orders or decrees or consents, approvals, licenses, authorizations, validations, filings, recordings or registrations with governmental authorities are relevant, to those required under such laws (all of the foregoing being referred to as "Opined on Law"). We do not express any opinion with respect to the law of any jurisdiction other than Opined on Law or as to the effect of any such non-opined on law on the opinion herein stated.

Based upon and subject to the foregoing, and the limitations, qualifications, exceptions and assumptions set forth herein, we are of the opinion that when (i) the Registration Statement becomes effective and (ii) the Exchange Notes (in the form examined by us) have been duly executed and authenticated in accordance with the terms of the Indenture and have been delivered upon consummation of the Exchange Offer against receipt of Original Notes surrendered in exchange therefor in accordance with the terms of the Exchange Offer, the Exchange Notes will constitute valid and binding obligations of the Company, enforceable against the Company in accordance with their terms, except to the extent that enforcement thereof may be limited by (1) bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or other similar laws now or hereafter in effect relating to creditors' rights generally and (2) general principles of equity (regardless of whether enforceability is considered in a proceeding at law or in equity).

In rendering the opinion set forth above, we have assumed that the execution and delivery by the Company of the Exchange Notes and the performance by the Company of its obligations under the Exchange Notes do not and will not violate, conflict with or constitute a default under any agreement or instrument to which the Company or its properties is subject, except that we do not make this assumption for those agreements and instruments which have been identified to us by the Company as being material to it and which are listed in Part II of the Registration Statement.

We hereby consent to the filing of this opinion with the Commission as an exhibit to the Registration Statement. We also consent to the reference to our firm under the caption "Legal Matters" in the prospectus included in the Registration Statement. In giving this consent, we do not thereby admit that we are included in the category of persons whose consent is required under Section 7 of the Act or the rules and regulations of the Commission.

Very truly yours,

Skadden, Arps, Slate, Meagher & Flom LLP

OFFICE DEPOT, INC.
 COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES
 (AMOUNTS IN THOUSANDS, EXCEPT RATIOS)(UNAUDITED)

The ratio of earnings to fixed charged is computed by dividing earnings by fixed charges. For this ratio, earnings include net income before income taxes and fixed charges, net of capitalized interest. Fixed charges include gross interest expense, whether expensed or capitalized.

| | FISCAL YEAR | | | | | FIRST HALF OF FISCAL YEAR | |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|------------------------------|-------------------|
| | 1998 | 1999 | 2000 | 2001 | 2002 | 2002 | 2003 |
| Fixed charges: | | | | | | | |
| Interest expense | 21,202 | \$ 24,852 | \$ 32,683 | \$ 43,339 | \$ 46,195 | \$ 22,758 | \$ 23,255 |
| Rental estimate | 82,236 | 106,095 | 129,855 | 131,373 | 133,617 | 66,833 | 68,821 |
| Total fixed charges | <u>\$ 103,438</u> | <u>\$ 130,947</u> | <u>\$ 162,538</u> | <u>\$ 174,712</u> | <u>\$ 179,812</u> | <u>\$ 89,591</u> | <u>\$ 92,076</u> |
| Earnings: | | | | | | | |
| Earnings from continuing operations before income taxes | \$ 386,685 | \$ 414,268 | \$ 90,287 | \$ 313,953 | \$ 479,205 | \$ 245,407 | \$ 245,816 |
| Undistributed Joint Venture earnings | 15,254 | (2,041) | (9,436) | (10,892) | (9,279) | (3,969) | (3,548) |
| Fixed charges | 103,438 | 130,947 | 162,538 | 174,712 | 179,812 | 89,591 | 92,076 |
| Total adjusted earnings | <u>\$ 505,377</u> | <u>\$ 543,174</u> | <u>\$ 243,389</u> | <u>\$ 477,773</u> | <u>\$ 649,738</u> | <u>\$ 331,029</u> | <u>\$ 334,344</u> |
| Ratio of earnings to fixed charges | 4.9x | 4.1x | 1.5x | 2.7x | 3.6x | 3.7x | 3.6x |

INDEPENDENT AUDITORS' CONSENT

We consent to the incorporation by reference in this Registration Statement of Office Depot, Inc. on Form S-4 of our reports dated February 13, 2003, incorporated by reference and appearing in the Annual Report on Form 10-K of Office Depot, Inc. for the year ended December 28, 2002 and to the reference to us under the heading "Experts" in the Prospectus, which is part of this Registration Statement.

/s/ Deloitte & Touche LLP
Certified Public Accountants

Miami, Florida
September 3, 2003

INDEPENDENT AUDITORS' CONSENT

We consent to the incorporation by reference in this Registration Statement of Office Depot, Inc. on Form S-4 of our report dated July 28, 2003, on the consolidated financial statements of Guilbert S.A. at December 31, 2002 and for the year then ended, which appears in the Form 8-K/A, Amendment No. 2, of Office Depot, Inc. dated July 31, 2003, and to the reference to us under the heading "Experts" in the Prospectus, which is part of this Registration Statement.

/s/ DELOITTE TOUCHE TOHMATSU

Paris, France
September 3, 2003

SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549

FORM T-1

STATEMENT OF ELIGIBILITY
UNDER THE TRUST INDENTURE ACT OF 1939 OF A
CORPORATION DESIGNATED TO ACT AS TRUSTEE

CHECK IF AN APPLICATION TO DETERMINE ELIGIBILITY
OF A TRUSTEE PURSUANT TO SECTION 305(B)(2) _____

SUNTRUST BANK
(Exact name of trustee as specified in its charter)

State of Georgia
(State of incorporation if
not a U.S. national bank)

58-0466330
(I.R.S. Employer
Identification Number)

303 Peachtree Street, NE
Atlanta, GA
(Address of trustee's principal
executive offices)

30308
(Zip Code)

Jonathan D. Rich, Esq.
Holland & Knight LLP
200 South Orange Avenue, Suite 2600, Orlando, FL 32801
(407) 425-8500
(Name, address and telephone number of agent for service)

OFFICE DEPOT, INC.
(Exact name of obligor as specified in its charter)

DELAWARE
(State of incorporation)

59-2663954
(IRS Employer Identification No.)

2200 OLD GERMANTOWN ROAD
DELRAY BEACH, FLORIDA
(Address of principal executive offices)

33445
(Zip Code)

6.250% SENIOR NOTES DUE AUGUST 15, 2013
(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.

| NAME | ADDRESS |
|--|------------------|
| Georgia Department of Banking and Finance | Atlanta, GA |
| The Board of Governors of the Federal Reserve System Corporation | Washington, D.C. |
| Federal Deposit Insurance Corporation | Washington, D.C. |

(b) Whether it is authorized to exercise corporate trust powers.

Yes.

Item 2. AFFILIATIONS WITH THE OBLIGOR. If the obligor or any underwriter for the obligor is an affiliate of the trustee, describe each such affiliation.

None.

Item 16. LIST OF EXHIBITS.

List below all exhibits filed as a part of this statement of eligibility.

Exhibit 1 - Copy of the articles of incorporation of the Trustee as now in effect (see Exhibit 1 to Form T-1 filed in connection with Registration Statement No. 333-62338 (Form S-3, Rock-Tenn Company), which is incorporated by reference).

Exhibit 2 - Copy of the certificate of authority of the Trustee to commence business (see Exhibit 2 to Form T-1 filed in connection with Registration Statement No. 333-62338 (Form S-3, Rock-Tenn Company), which is incorporated by reference).

Exhibit 3 - Copy of the authorization of the Trustee to exercise corporate trust powers (see Exhibit 3 to Form T-1 filed in connection with Registration Statement No. 333-62338 (Form S-3, Rock-Tenn Company), which is incorporated by reference).

Exhibit 4 - Copy of the existing bylaws of the Trustee (see Exhibit 4 to Form T-1 filed in connection with Registration Statement No. 333-62338 (Form S-3, Rock-Tenn Company), which is incorporated by reference).

Exhibit 5 - Not applicable.

Exhibit 6 - The consent of the Trustee required by Section 321 (6) of the Trust Indenture Act of 1939.

Exhibit 7 - Copy of the latest report of condition of the Trustee, published pursuant to law or the requirements of its supervising or examining authority.

Exhibit 8 - Not applicable.

Exhibit 9 - Not applicable.

SIGNATURE

Pursuant to the requirements of the Trust Indenture Act of 1939, the Trustee, SunTrust Bank, a banking corporation organized and existing under the laws of the State of Georgia, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in the City of Miami, State of Florida, on the 28th day of August, 2003.

SUNTRUST BANK

By: /s/ Holly Lee Jeske

Holly Lee Jeske
Vice President

EXHIBIT 6

Consent of Trustee

Pursuant to the requirements of Section 321 (b) of the Trust Indenture Act of 1939, in connection with the proposed issuance of debt securities of Office Depot, Inc., SunTrust Bank hereby consents that reports of examinations by Federal, State, Territorial or District Authorities may be furnished by such authorities to the Securities and Exchange Commission upon request therefor.

SUNTRUST BANK

By: /s/ Holly Lee Jeske

Holly Lee Jeske
Vice President

EXHIBIT 7

Report of Condition of
SunTrust Bank

Please refer to page 1
Table of Contents, for
the required disclosure
of estimated burden

CONSOLIDATED REPORTS OF CONDITION AND INCOME FOR A BANK WITH DOMESTIC AND
FOREIGN OFFICES - FFIEC 031

Report at the close of business June 30, 2003

This report is required by law: 12 U.S.C. ss. 324 (State member banks);
12 U.S.C. ss. 1817 (State nonmember banks); and 12 U.S.C. ss. 161 (National
banks).

(20030630)

(RCRI 9999)

This report form is to be filed by banks with branches and consolidated
subsidiaries in U.S. territories and possessions. Edge or Agreement
subsidiaries, foreign branches, consolidated foreign subsidiaries, or
International Banking Facilities.

NOTE: The Reports of Condition and Income must be signed by an authorized
officer and the Report of Condition must be attested to by not less than two
directors (trustees) for State nonmember banks and three directors for State
member and National banks.

I, Jorge Arreta, SVP & Controller
Name and Title of Officer Authorized to Sign Report

of the named bank do hereby declare that the Reports of Condition and Income
(including the supporting schedules) for this report date have been prepared in
conformance with the instructions issued by the appropriate Federal regulatory
authority and are true to the best of my knowledge and belief.

/s/ Jorge Arreta

Signature of Officer Authorized to Sign Report

07/25/2003

Date of Signature

The Reports of Condition and Income are to be prepared in accordance with
Federal regulatory authority Instructions.

We, the undersigned directors (trustees), attest to the correctness of the
Report of Condition (including the supporting schedules) for this report date
and declare that it has been examined by us and to the best of our knowledge and
belief has been prepared in conformance with the instructions issued by the
appropriate Federal regulatory authority and is true and correct.

/s/ L. Phillip Humann

Director (Trustee)

/s/ James B. Williams

Director (Trustee)

/s/ Alston D. Correll

Director (Trustee)

Submission of Reports:

Each bank must prepare its Reports of Condition and Income either:

(a) In electronic form and then file the computer data file directly with the
banking agencies' collection agent, Electronic Data Systems Corporation (EDS),
by modem or on computer diskette; or

(b) In hard-copy (paper) form and arrange for another party to convert the
paper report to electronic form. That party (if other than EDS) must transmit
the bank's computer data file to EDS.

For electronic filing assistance, contact EDS Call Report Services, 13890

Bishops Drive, Suite 110, Brookfield, WI 53005, telephone (800) 255-1571.

To fulfill the signature and attestation requirement for the Reports of Condition and Income for this report date, attach this signature page (or a photocopy or a computer-generated version of this page) to the hard-copy record of the completed report that the bank places in its files.

FDIC Certificate Number: 00867

(RCRI9052)

SUNTRUST BANK

Legal Title of Bank (TEXT 9010)

ATLANTA

City (TEXT 9130)

GA 30302

State Abbrev. (TEXT 9200) Zip Code (TEXT 9220)

Board of Governors of the Federal Reserve System, Federal Deposit Insurance Corporation, Office of the Comptroller of the Currency

SUNTRUST BANK

FFIEC 031

RC-1

Legal Title of Bank

12

ATLANTA

City

GA 30302

State Zip CodeTransmitted to InterCept on 07/30/2003. Confirmation Number - 0008111
FDIC Certificate Number - 00867CONSOLIDATED REPORT OF CONDITION FOR INSURED COMMERCIAL AND STATE-CHARTERED
SAVINGS BANKS FOR JUNE 30, 2003All 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 |
|--|-----------------------------|------|-------------|-----|------|
| ASSETS | | | | | |
| 1. Cash and balances due from depository institutions (from Schedule RC-A): | | | | | |
| a. Noninterest-bearing balances and currency and coin (1) | | 0081 | 4,469,018 | | 1.a |
| b. Interest-bearing balances (2) | | 0071 | 15,820 | | 1.b |
| 2. Securities: | | | | | |
| a. Held-to-maturity securities (from Schedule RC-B, column A) | | 1754 | 0 | | 2.a |
| b. Available-for-sale securities (from Schedule RC-B, column D) | | 1773 | 19,854,955 | | 2.b |
| 3. Federal funds sold and securities purchased under agreements to resell: | | | | | |
| a. Federal funds sold in domestic offices | | RCON | | | |
| | | B987 | 436,600 | | 3.a |
| | | RCFD | | | |
| b. Securities purchased under agreements to resell (3) | | B989 | 3,771,321 | | 3.b |
| 4. Loans and lease financing receivables (from Schedule RC-C): | | | | | |
| a. Loans and leases held for sale | | 5369 | 9,037,490 | | 4.a |
| b. Loans and leases, net of unearned income | B528 | | | | 4.b |
| c. LESS: Allowance for loan and lease losses | 3123 | | | | 4.c |
| d. Loans and leases, net of unearned income and allowance (item 4.b minus 4.c) | | B529 | 74,075,213 | | 4.d |
| 5. Trading assets (from Schedule RC-D) | | 3545 | 1,472,750 | | 5 |
| 6. Premises and fixed assets (including capitalized leases) | | 2145 | 1,296,757 | | 6 |
| 7. Other real estate owned (from Schedule RC-M) | | 2150 | 29,826 | | 7 |
| 8. Investments in unconsolidated subsidiaries and associated companies (from Schedule RC-M) | | 2130 | 0 | | 8 |
| 9. Customers' liability to this bank on acceptances outstanding | | 2155 | 84,980 | | 9 |
| 10. Intangible assets: | | | | | |
| a. Goodwill | | 3163 | 862,393 | | 10.a |
| b. Other intangible assets (from Schedule RC-M) | | 0426 | 607,990 | | 10.b |
| 11. Other assets (from Schedule RC-F) | | 2160 | 2,730,050 | | 11 |
| 12. Total assets (sum of items 1 through 11) | | 2170 | 118,745,163 | | 12 |

(1) Includes cash items in process of collection and unposted debits.

(2) Includes time certificates of deposit not held for trading.

(3) Includes all securities resale agreements in domestic and foreign
offices, regardless of maturity.

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 | |
| (1) Noninterest-bearing (1) | 6631 | 10,248,343 | 2200 | 74,459,262 13.a |
| (2) Interest-bearing | 6636 | 64,210,919 | | 13.a.1 13.a.2 |
| b. In foreign offices, Edge and Agreement subsidiaries, and IBFs (from Schedule RC-E, part II) | | | RCFN | |
| (1) Noninterest-bearing | 6631 | 0 | 2200 | 2,934,964 13.b |
| (2) Interest-bearing | 6636 | 2,934,963 | | 13.b.1 13.b.2 |
| 14. Federal funds purchased and securities sold under agreements to repurchase: | | | RCON | |
| a. Federal funds purchased in domestic offices (2) | | | B993 | 8,979,352 14.a |
| b. Securities sold under agreements to repurchase (3) | | | RCFD | |
| 15. Trading liabilities (from Schedule RC-D) | | | B995 | 8,422,227 14.b |
| 16. Other borrowed money (includes mortgage indebtedness and obligations under capitalized leases) (from Schedule RC-M) | | | 3548 | 1,179,121 15 |
| 17. Not applicable | | | 3190 | 7,252,577 16 |
| 18. Bank's liability on acceptances executed and outstanding | | | 2920 | 84,980 18 |
| 19. Subordinated notes and debentures(4) | | | 3200 | 2,149,629 19 |
| 20. Other liabilities (from Schedule RC-G) | | | 2930 | 2,777,007 20 |
| 21. Total liabilities (sum of items 13 through 20) | | | 2948 | 108,239,119 21 |
| 22. Minority interest in consolidated subsidiaries | | | 3000 | 1,012,337 22 |
| EQUITY CAPITAL | | | | |
| 23. Perpetual preferred stock and related surplus | | | 3838 | 0 23 |
| 24. Common stock | | | 3230 | 21,600 24 |
| 25. Surplus (exclude all surplus related to preferred stock) | | | 3839 | 2,734,106 25 |
| 26. a. Retained earnings | | | 3632 | 5,845,041 26.a |
| b. Accumulated other comprehensive income (5) | | | B530 | 892,960 26.b |
| 27. Other equity capital components (6) | | | A130 | 0 27 |
| 28. Total equity capital (sum of items 23 through 27) | | | 3210 | 9,493,707 28 |
| 29. Total liabilities, minority interest, and equity capital (sum of items 21 , 22, and 28) | | | 3300 | 118,745,163 29 |

Memorandum

TO BE REPORTED ONLY WITH THE MARCH REPORT OF CONDITION.

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 2002

RCFD NUMBER
 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 = Attestation on bank management's assertion on the effectiveness of the bank's internal control over financial reporting by a certified public accounting firm
- 4 = 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)
- 5 = Directors' examination of the bank performed by other external auditors (may be required by state chartering authority)
- 6 = Review of the bank's financial statements by external auditors
- 7 = Compilation of the bank's financial statements by external auditors
- 8 = Other audit procedures (excluding tax preparation work)
- 9 = No external audit work

-
- (1) Includes total demand deposits and noninterest-bearing time and savings deposits.
 - (2) Report overnight Federal Home Loan Bank advances in Schedule RC, item 16, "other borrowed money."
 - (3) Includes all securities repurchase agreements in domestic and foreign offices, regardless of maturity.
 - (4) Includes limited-life preferred stock and related surplus.
 - (5) Includes net unrealized holding gains (losses) on available-for-sale securities, accumulated net gains (losses) on cash flow hedges, cumulative foreign currency translation adjustments, and minimum pension liability adjustments.
 - (6) Includes treasury stock and unearned Employee Stock Ownership Plan shares.

LETTER OF TRANSMITTAL

OFFICE DEPOT, INC.

OFFER FOR ALL OUTSTANDING
6.25% SENIOR NOTES DUE AUGUST 15, 2013
IN EXCHANGE FOR
6.25% SENIOR NOTES DUE AUGUST 15, 2013
WHICH HAVE BEEN REGISTERED UNDER
THE SECURITIES ACT OF 1933, AS AMENDED,
PURSUANT TO THE PROSPECTUS, DATED , 2003

THE EXCHANGE OFFER WILL EXPIRE AT 5:00 P.M. NEW YORK CITY TIME, ON
, 2003, UNLESS EXTENDED (THE "EXPIRATION DATE"). TENDERS MAY BE
WITHDRAWN PRIOR TO 5:00 P.M., NEW YORK CITY TIME, ON THE EXPIRATION DATE.

DELIVERY TO: SUNTRUST BANK, EXCHANGE AGENT

By Mail, Hand or Overnight Courier:

SunTrust Bank
FL-Miami-1020
Corporate Trust Division
777 Brickell Avenue
Miami, Florida 33131-2803

Attention: Holly Lee Jeske

By Facsimile Transmission
(For Eligible Institutions Only):
305-579-7017

Confirm by Telephone:
305-579-7009

DELIVERY OF THIS INSTRUMENT TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE, OR
TRANSMISSION OF INSTRUCTIONS VIA FACSIMILE OTHER THAN AS SET FORTH ABOVE, WILL
NOT CONSTITUTE A VALID DELIVERY.

The undersigned acknowledges that he or she has received the Prospectus, dated _____, 2003 (the "Prospectus"), of Office Depot, Inc., a Delaware corporation (the "Company"), and this Letter of Transmittal (the "Letter"), which together constitute the Company's offer (the "Exchange Offer") to exchange an aggregate principal amount of up to \$400,000,000 of the Company's 6.25% Senior Notes due August 15, 2013 (the "Exchange Notes") which have been registered under the Securities Act of 1933, as amended (the "Securities Act"), for a like principal amount of the Company's issued and outstanding 6.25% Senior Notes due August 15, 2013 (the "Original Notes") from the registered holders thereof (the "Holders").

For each Original Note accepted for exchange, the Holder of such Original Note will receive an Exchange Note having a principal amount equal to that of the surrendered Original Note. The Exchange Notes will bear interest from the most recent date to which interest has been paid on the Original Notes or, if no interest has been paid on the Original Notes, from August 11, 2003. Accordingly, registered Holders of Exchange Notes on the relevant record date for the first interest payment date following the consummation of the Exchange Offer will receive interest accruing from the most recent date to which interest has been paid or, if no interest has been paid, from August 11, 2003. Original Notes accepted for exchange will cease to accrue interest from and after the date of consummation of the Exchange Offer. Holders of Original Notes whose Original Notes are accepted for exchange will not receive any payment in respect of accrued interest on such Original Notes otherwise payable on any interest payment date the record date for which occurs on or after consummation of the Exchange Offer.

This Letter is to be completed by a holder of Original Notes for a tender of Original Notes to be made by book-entry transfer to the account maintained by the Exchange Agent at The Depository Trust Company (the "Book-Entry Transfer Facility") pursuant to the procedures set forth in "The Exchange Offer -- Book-Entry Transfer" section of the Prospectus and an Agent's Message is not delivered. Tenders by book-entry transfer may also be made by delivering an Agent's Message in lieu of this Letter. The term "Agent's Message" means a message, transmitted by the Book-Entry Transfer Facility to, and received by, the Exchange Agent and forming a part of a Book-Entry Confirmation (as defined below), which states that the Book-Entry Transfer Facility has received an express acknowledgment from the tendering participant, which acknowledgment states that such participant has received and agrees to be bound by this Letter and that the Company may enforce this Letter against such participant. Holders of Original Notes who are unable to deliver confirmation of the book-entry tender of their Original Notes into the Exchange Agent's account at the Book-Entry Transfer Facility (a "Book-Entry Confirmation") and all other documents required by this Letter to the Exchange Agent on or prior to the Expiration Date, must tender their Original Notes according to the guaranteed delivery procedures set forth in "The Exchange Offer -- Guaranteed Delivery Procedures" section of the Prospectus. See Instruction 1.

DELIVERY OF DOCUMENTS TO THE BOOK-ENTRY TRANSFER FACILITY DOES NOT CONSTITUTE DELIVERY TO THE EXCHANGE AGENT.

The undersigned has completed the appropriate boxes below and signed this Letter to indicate the action the undersigned desires to take with respect to the Exchange Offer.

List below the Original Notes to which this Letter relates. If the space provided below is inadequate, the certificate numbers and principal amount of Original Notes should be listed on a separate signed schedule affixed hereto.

hereby must
be in
denominations
of principal
amount of
\$1,000 and
any integral
multiple
thereof. See
Instruction
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[] CHECK HERE IF TENDERED ORIGINAL NOTES ARE BEING DELIVERED BY BOOK-ENTRY TRANSFER MADE TO THE ACCOUNT MAINTAINED BY THE EXCHANGE AGENT WITH THE BOOK-ENTRY TRANSFER FACILITY AND COMPLETE THE FOLLOWING:

Name of Tendering Institution

Account Number

Transaction Code Number

By crediting the Original Notes to the Exchange Agent's account at the Book-Entry Transfer Facility's Automated Tender Offer Program ("ATOP") and by complying with applicable ATOP procedures with respect to the Exchange Offer, including transmitting to the Exchange Agent a computer-generated Agent's Message in which the holder of the Original Notes acknowledges and agrees to be bound by the terms of, and makes the representations and warranties contained in, this Letter, the participant in the Book-Entry Transfer Facility confirms on behalf of itself and the beneficial owners of such Original Notes all provisions of this Letter (including all representations and warranties) applicable to it and such beneficial owner as fully as if it had completed the information required herein and executed and transmitted this Letter to the Exchange Agent.

[] CHECK HERE IF TENDERED ORIGINAL NOTES ARE BEING DELIVERED PURSUANT TO A NOTICE OF GUARANTEED DELIVERY PREVIOUSLY SENT TO THE EXCHANGE AGENT AND COMPLETE THE FOLLOWING:

Name(s) of Registered Holder(s)

Window Ticket Number (if any)

Date of Execution of Notice of Guaranteed Delivery

Name of Institution Which Guaranteed Delivery

IF DELIVERED BY BOOK-ENTRY TRANSFER, COMPLETE THE FOLLOWING:

Account

Number -----

Transaction

Code Number -----

[] CHECK HERE IF YOU ARE A BROKER-DEALER AND WISH TO RECEIVE TEN (10) ADDITIONAL COPIES OF THE PROSPECTUS AND TEN (10) COPIES OF ANY AMENDMENTS OR SUPPLEMENTS THERETO.

Name:

Address:

If the undersigned is not a broker-dealer, the undersigned represents that it is not engaged in, and does not intend to engage in, a distribution of Exchange Notes. If the undersigned is a broker-dealer that will receive Exchange Notes for its own account in exchange for Original Notes that were acquired as a result of market-making activities or other trading activities, it acknowledges that such Original Notes were acquired by such broker-dealer as a result of market-making or other trading activities and, that it must comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale transaction, including the delivery of a prospectus that contains information with respect to any selling holder required by the Securities Act in connection with any resale of the Exchange Notes; however, by so acknowledging and by delivering such a prospectus, the undersigned will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act. If the undersigned is a broker-dealer that will receive Exchange Notes, it represents that the Original Notes to be exchanged for the Exchange Notes were acquired as a result of market-making activities or other trading activities.

PLEASE READ THE ACCOMPANYING INSTRUCTIONS CAREFULLY

Ladies and Gentlemen:

Upon the terms and subject to the conditions of the Exchange Offer, the undersigned hereby tenders to the Company the aggregate principal amount of Original Notes indicated above. Subject to, and effective upon, the acceptance for exchange of the Original Notes tendered hereby, the undersigned hereby sells, assigns and transfers to, or upon the order of, the Company all right, title and interest in and to such Original Notes as are being tendered hereby.

The undersigned hereby irrevocably constitutes and appoints the Exchange Agent as the undersigned's true and lawful agent and attorney-in-fact with respect to such tendered Original Notes, with full power of substitution, among other things, to cause the Original Notes to be assigned, transferred and exchanged. The undersigned hereby represents and warrants that the undersigned has full power and authority to tender, sell, assign and transfer the Original Notes, and to acquire Exchange Notes issuable upon the exchange of such tendered Original Notes, and that, when the same are accepted for exchange, the Company will acquire good and unencumbered title thereto, free and clear of all liens, restrictions, charges and encumbrances and not subject to any adverse claim when the same are accepted by the Company. The undersigned hereby further represents that any Exchange Notes acquired in exchange for Original Notes tendered hereby will have been acquired in the ordinary course of business of the person receiving such Exchange Notes, whether or not such person is the undersigned, that neither the Holder of such Original Notes nor any such other person is participating in, intends to participate in or has an arrangement or understanding with any person to participate in the distribution of such Exchange Notes and that neither the Holder of such Original Notes nor any such other person is an "affiliate," as defined in Rule 405 under the Securities Act, of the Company.

The undersigned acknowledges that this Exchange Offer is being made in reliance on interpretations by the staff of the Securities and Exchange Commission (the "SEC"), as set forth in no-action letters issued to third parties, that the Exchange Notes issued pursuant to the Exchange Offer in exchange for the Original Notes may be offered for resale, resold and otherwise transferred by Holders thereof (other than any such Holder that is an "affiliate" of the Company within the meaning of Rule 405 under the Securities Act), without compliance with the registration and prospectus delivery provisions of the Securities Act, provided that such Exchange Notes are acquired in the ordinary course of such Holders' business and such Holders have no arrangement with any person to participate in the distribution of such Exchange Notes. However, the SEC has not considered the Exchange Offer in the context of a no-action letter and there can be no assurance that the staff of the SEC would make a similar determination with respect to the Exchange Offer as in other circumstances. If the undersigned is not a broker-dealer, the undersigned represents that it is not engaged in, and does not intend to engage in, a distribution of Exchange Notes and has no arrangement or understanding to participate in a distribution of Exchange Notes. If any Holder is an affiliate of the Company, is engaged in or intends to engage in or has any arrangement or understanding with respect to the distribution of the Exchange Notes to be acquired pursuant to the Exchange Offer, such Holder (i) could not rely on the applicable interpretations of the staff of the SEC and (ii) must comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale transaction. If the undersigned is a broker-dealer that will receive Exchange Notes for its own account in exchange for Original Notes, it represents that the Original Notes to be exchanged for the Exchange Notes were acquired by it as a result of market-making activities or other trading activities and acknowledges that it will deliver a prospectus meeting the requirements of the Securities Act in connection with any resale of such Exchange Notes; however, by so acknowledging and by delivering a prospectus, the undersigned will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act.

The undersigned will, upon request, execute and deliver any additional documents deemed by the Company to be necessary or desirable to complete the sale, assignment and transfer of the Original Notes tendered hereby. All authority conferred or agreed to be conferred in this Letter and every obligation of the undersigned hereunder shall be binding upon the successors, assigns, heirs, executors, administrators, trustees in bankruptcy and legal representatives of the undersigned and shall not be affected by, and shall survive, the death or incapacity of the undersigned. This tender may be withdrawn only in accordance with the procedures set forth in "The Exchange Offer -- Withdrawal Rights" section of the Prospectus.

Unless otherwise indicated herein in the box entitled "Special Issuance Instructions" below, please credit the account indicated above maintained at the Book-Entry Transfer Facility. Similarly, unless otherwise indicated under

the box entitled "Special Delivery Instructions" below, please send the Exchange Notes (and, if applicable, substitute certificates representing Original Notes for any Original Notes not exchanged) to the undersigned at the address shown above in the box entitled "Description of Original Notes."

THE UNDERSIGNED, BY COMPLETING THE BOX ENTITLED "DESCRIPTION OF ORIGINAL NOTES" ABOVE AND SIGNING THIS LETTER, WILL BE DEEMED TO HAVE TENDERED THE ORIGINAL NOTES AS SET FORTH IN SUCH BOX ABOVE.

SPECIAL ISSUANCE INSTRUCTIONS

(SEE INSTRUCTIONS 2 AND 3)

To be completed ONLY if Original Notes not exchanged and/or Exchange Notes are to be issued in the name of and sent to someone other than the person or persons whose signature(s) appear(s) on this Letter above, or if Original Notes delivered by book-entry transfer which are not accepted for exchange are to be returned by credit to an account maintained at the Book-Entry Transfer Facility other than the account indicated above.

Issue Exchange Notes and/or Original Notes to:

Name(s)

(PLEASE TYPE OR PRINT)

(PLEASE TYPE OR PRINT)

Address

(ZIP CODE)

(COMPLETE SUBSTITUTE FORM W-9)

[] Credit unexchanged Original Notes delivered by book-entry transfer to the Book-Entry Transfer Facility account set forth below.

BOOK-ENTRY TRANSFER FACILITY
ACCOUNT NUMBER, IF APPLICABLE)

SPECIAL DELIVERY INSTRUCTIONS

(SEE INSTRUCTIONS 2 AND 3)

To be completed ONLY if Original Notes not exchanged and/or Exchange Notes are to be sent to someone other than the person or persons whose signature(s) appear(s) on this Letter above or to such person or persons at an address other than shown in the box entitled "Description of Original Notes" on this Letter above.

Mail Exchange Notes and/or Original Notes to:

Name(s)

(PLEASE TYPE OR PRINT)

(PLEASE TYPE OR PRINT)

Address

(ZIP CODE)

IMPORTANT: THIS LETTER OR A FACSIMILE HEREOF OR AN AGENT'S MESSAGE IN LIEU THEREOF (TOGETHER A BOOK-ENTRY CONFIRMATION AND ALL OTHER REQUIRED DOCUMENTS OR THE NOTICE OF GUARANTEED DELIVERY) MUST BE RECEIVED BY THE EXCHANGE AGENT PRIOR TO 5:00 P.M., NEW YORK CITY TIME, ON THE EXPIRATION DATE.

PLEASE READ THIS ENTIRE LETTER OF TRANSMITTAL CAREFULLY BEFORE COMPLETING ANY BOX ABOVE.

PLEASE SIGN HERE

(TO BE COMPLETED BY ALL TENDERING HOLDERS)
(COMPLETE ACCOMPANYING SUBSTITUTE FORM W-9 BELOW)

X _____ , 2003

X _____ , 2003

(SIGNATURE(S) OF OWNER)

(DATE)

Area Code and Telephone Number

If a holder is tendering any Original Notes, this Letter must be signed by the registered holder(s) as the name(s) appear(s) on the certificate(s) for the Original Notes or by any person(s) authorized to become registered holder(s) by endorsements and documents transmitted herewith. If signature is by a trustee, executor, administrator, guardian, officer or other person acting in a fiduciary or representative capacity, please set forth full title. See Instruction 2.

Name(s):

(PLEASE TYPE OR PRINT)

Capacity:

Address:

(INCLUDING ZIP CODE)

SIGNATURE GUARANTEE
(IF REQUIRED BY INSTRUCTION 2)

Signature(s) Guaranteed by an Eligible Institution:

(AUTHORIZED SIGNATURE)

(TITLE)

(NAME AND FIRM)

Dated:

----- , 2003

INSTRUCTIONS

FORMING PART OF THE TERMS AND CONDITIONS OF THE EXCHANGE OFFER FOR THE
6.25% SENIOR NOTES DUE AUGUST 15, 2013 OF OFFICE DEPOT, INC.
IN EXCHANGE FOR THE
6.25% SENIOR NOTES DUE AUGUST 15, 2013 OF OFFICE DEPOT, INC.
WHICH HAVE BEEN REGISTERED UNDER THE
SECURITIES ACT OF 1933, AS AMENDED

1. DELIVERY OF THIS LETTER AND NOTES; GUARANTEED DELIVERY PROCEDURES.

This Letter is to be completed by holders of Original Notes for tenders are to be made pursuant to the procedures for delivery by book-entry transfer set forth in "The Exchange Offer -- Book-Entry Transfer" section of the Prospectus and an Agent's Message is not delivered. Tenders by book-entry transfer may also be made by delivering an Agent's Message in lieu of this Letter. The term "Agent's Message" means a message, transmitted by the Book-Entry Transfer Facility to and received by the Exchange Agent and forming a part of a Book-Entry Confirmation, which states that the Book-Entry Transfer Facility has received an express acknowledgment from the tendering participant, which acknowledgment states that such participant has received and agrees to be bound by the Letter of Transmittal and that the Company may enforce the Letter of Transmittal against such participant. Book-Entry Confirmation as well as a properly completed and duly executed Letter (or manually signed facsimile hereof or Agent's Message in lieu thereof) and any other documents required by this Letter, must be received by the Exchange Agent at the address set forth herein on or prior to the Expiration Date, or the tendering holder must comply with the guaranteed delivery procedures set forth below. Original Notes tendered hereby must be in denominations of principal amount of \$1,000 and any integral multiple thereof.

Holders who cannot deliver required documents to the Exchange Agent on or prior to the Expiration Date, or who cannot complete the procedure for book-entry transfer on a timely basis, may tender their Original Notes pursuant to the guaranteed delivery procedures set forth in "The Exchange Offer -- Guaranteed Delivery Procedures" section of the Prospectus. Pursuant to such procedures, (i) such tender must be made through an Eligible Institution, (ii) prior to 5:00 P.M., New York City time, on the Expiration Date, the (as defined below) Exchange Agent must receive from such Eligible Institution a properly completed and duly executed Notice of Guaranteed Delivery, substantially in the form provided by the Company (by facsimile transmission, mail or hand delivery), setting forth the name and address of the holder of Original Notes and the amount of Original Notes tendered, stating that the tender is being made thereby and guaranteeing that within three New York Stock Exchange ("NYSE") trading days after the date of execution of the Notice of Guaranteed Delivery, a Book-Entry Confirmation, together with a properly completed and duly executed Letter (or facsimile thereof or Agent's Message in lieu thereof) with any required signature guarantees and any other documents required by this Letter will be deposited by the Eligible Institution with the Exchange Agent, and (iii) a Book-Entry Confirmation, together with a properly completed and duly executed Letter (or facsimile thereof or Agent's Message in lieu thereof) with any required signature guarantees and all other documents required by this Letter, are received by the Exchange Agent within three NYSE trading days after the date of execution of the Notice of Guaranteed Delivery.

The method of delivery of this Letter, the Original Notes and all other required documents is at the election and risk of the tendering holders, but the delivery will be deemed made only when actually received or confirmed by the Exchange Agent. If Original Notes are sent by mail, it is suggested that the mailing be registered mail, properly insured, with return receipt requested, made sufficiently in advance of the Expiration Date to permit delivery to the Exchange Agent prior to 5:00 P.M., New York City time, on the Expiration Date.

See "The Exchange Offer" section of the Prospectus.

2. SIGNATURES ON THIS LETTER; BOND POWERS AND ENDORSEMENTS; GUARANTEE OF SIGNATURES.

If any tendered Original Notes are owned of record by two or more joint owners, all of such owners must sign this Letter.

When this Letter is signed by the registered holder or holders of the Original Notes specified herein and tendered hereby, no separate bond powers are required. If, however, the Exchange Notes are to be issued to a person other than the registered holder, then separate bond powers are required.

If this Letter or bond powers are signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, such persons should so indicate when signing, and, unless waived by the Company, proper evidence satisfactory to the Company of their authority to so act must be submitted.

Signatures on bond powers required by this Instruction 2 must be guaranteed by a firm that is a financial institution (including most banks, savings and loan associations and brokerage houses) that is a participant in the Securities Transfer Agents Medallion Program, the New York Stock Exchange Medallion Signature Program or the Stock Exchanges Medallion Program (each an "Eligible Institution").

Signatures on this Letter need not be guaranteed by an Eligible Institution, provided the Original Notes are tendered: (i) by a registered holder of Original Notes (which term, for purposes of the Exchange Offer, includes any participant in the Book-Entry Transfer Facility system whose name appears on a security position listing as the holder of such Original Notes) who has not completed the box entitled "Special Issuance Instructions" or "Special Delivery Instructions" on this Letter, or (ii) for the account of an Eligible Institution.

3. SPECIAL ISSUANCE AND DELIVERY INSTRUCTIONS.

Tendering holders of Original Notes should indicate in the applicable box the name and address to which Exchange Notes issued pursuant to the Exchange Offer, if different from the name or address of the person signing this Letter. In the case of issuance in a different name, the employer identification or social security number of the person named must also be indicated. Noteholders tendering Original Notes by book-entry transfer may request that Original Notes not exchanged be credited to such account maintained at the Book-Entry Transfer Facility as such noteholder may designate hereon. If no such instructions are given, such Original Notes not exchanged will be returned to the name and address of the person signing this Letter.

4. TAXPAYER IDENTIFICATION NUMBER.

Federal income tax law generally requires that a tendering holder whose Original Notes are accepted for exchange must provide the Company (as payor) with such holder's correct Taxpayer Identification Number ("TIN") on Substitute Form W-9 below, which in the case of a tendering holder who is an individual, is his or her social security number. If the Company is not provided with the current TIN or an adequate basis for an exemption from backup withholding, such tendering holder may be subject to a \$50 penalty imposed by the Internal Revenue Service. In addition, the Exchange Agent may be required to withhold 28% of the amount of any reportable payments made after the exchange to such tendering holder of Exchange Notes. If withholding results in an overpayment of taxes, a refund may be obtained.

Exempt holders of Original Notes (including, among others, all corporations and certain foreign individuals) are not subject to these backup withholding and reporting requirements. See the enclosed Guidelines of Certification of Taxpayer Identification Number on Substitute Form W-9 (the "W-9 Guidelines") for additional instructions.

To prevent backup withholding, each tendering holder of Original Notes must provide its correct TIN by completing the Substitute Form W-9 set forth below, certifying, under penalties of perjury, that the TIN provided is correct (or that such holder is awaiting a TIN) and that (i) the holder is exempt from backup withholding, or (ii) the holder has not been notified by the Internal Revenue Service that such holder is subject to backup withholding as a result of a failure to report all interest or dividends or (iii) the Internal Revenue Service has notified the holder that such holder is no longer subject to backup withholding. If the tendering holder of Original Notes is a nonresident alien or foreign entity not subject to backup withholding, such holder must give the Exchange Agent a completed Form W-8, Certificate of Foreign Status. These forms may be obtained from the Exchange Agent. If the Original Notes are in more than one name or are not in the name of the actual owner, such holder should consult the W-9 Guidelines for information on which TIN to report. If such holder does not have a TIN, such holder should consult the W-9 Guidelines for instructions on applying for a TIN, check the box in Part 2 of the Substitute Form W-9 and write "applied for" in lieu of its TIN. Note: Checking this box and writing "applied for" on the form means that such holder has already applied for a TIN or that such holder intends to apply for one in the near future. If the box in Part 2 of the Substitute Form W-9 is checked, the Exchange Agent will retain 28% of reportable payments made to a holder during the sixty (60) day period following the date of the Substitute Form W-9. If the holder furnishes the Exchange Agent with his or her TIN within sixty (60) days of the Substitute Form W-9, the Exchange Agent will remit such amounts retained during such sixty (60) day period to such holder and no further

amounts will be retained or withheld from payments made to the holder thereafter. If, however, such holder does not provide its TIN to the Exchange Agent within such sixty (60) day period, the Exchange Agent will remit such previously withheld amounts to the Internal Revenue Service as backup withholding and will withhold 28% of all reportable payments to the holder thereafter until such holder furnishes its TIN to the Exchange Agent.

5. TRANSFER TAXES.

The Company will pay all transfer taxes, if any, applicable to the transfer of Original Notes to it or its order pursuant to the Exchange Offer. If, however, Exchange Notes and/or substitute Original Notes not exchanged are to be delivered to, or are to be registered or issued in the name of, any person other than the registered holder of the Original Notes tendered hereby, or if tendered Original Notes are registered in the name of any person other than the person signing this Letter, or if a transfer tax is imposed for any reason other than the transfer of Original Notes to the Company or its order pursuant to the Exchange Offer, the amount of any such transfer taxes (whether imposed on the registered holder or any other persons) will be payable by the tendering holder. If satisfactory evidence of payment of such taxes or exemption therefrom is not submitted herewith, the amount of such transfer taxes will be billed directly to such tendering holder.

EXCEPT AS PROVIDED IN THIS INSTRUCTION 5, IT WILL NOT BE NECESSARY FOR TRANSFER TAX STAMPS TO BE AFFIXED TO THE ORIGINAL NOTES SPECIFIED IN THIS LETTER.

6. WAIVER OF CONDITIONS.

The Company reserves the absolute right to waive satisfaction of any or all conditions enumerated in the Prospectus.

7. NO CONDITIONAL TENDERS.

No alternative, conditional, irregular or contingent tenders will be accepted. All tendering holders of Original Notes, by execution of this Letter, shall waive any right to receive notice of the acceptance of their Original Notes for exchange.

Neither the Company, the Exchange Agent nor any other person is obligated to give notice of any defect or irregularity with respect to any tender of Original Notes nor shall any of them incur any liability for failure to give any such notice.

8. WITHDRAWAL RIGHTS.

Tenders of Original Notes may be withdrawn at any time prior to 5:00 P.M., New York City time, on the Expiration Date.

For a withdrawal of a tender of Original Notes to be effective, a written notice of withdrawal must be received by the Exchange Agent at the address set forth above prior to 5:00 P.M., New York City time, on the Expiration Date. Any such notice of withdrawal must (i) specify the name of the person having tendered the Original Notes to be withdrawn (the "Depositor"), (ii) identify the Original Notes to be withdrawn (including the principal amount of such Original Notes), (iii) contain a statement that such holder is withdrawing his election to have such Original Notes exchanged, (iv) be signed by the holder in the same manner as the original signature on the Letter by which such Original Notes were tendered (including any required signature guarantees) or be accompanied by documents of transfer to have the Trustee with respect to the Original Notes register the transfer of such Original Notes in the name of the person withdrawing the tender and (v) specify the name in which such Original Notes are registered, if different from that of the Depositor. A notice of withdrawal must specify the name and number of the account at the Book-Entry Transfer Facility to be credited with the withdrawn Original Notes and otherwise comply with the procedures of such facility. All questions as to the validity, form and eligibility (including time of receipt) of such notices will be determined by the Company, whose determination shall be final and binding on all parties. Any Original Notes so withdrawn will be deemed not to have been validly tendered for exchange for purposes of the Exchange Offer and no Exchange Notes will be issued with respect thereto unless the Original Notes so withdrawn are validly retendered. Any Original Notes that have been tendered for exchange but which are not exchanged for any reason will be credited to an account maintained with the Book-Entry Transfer Facility for the Original Notes as soon as practicable after withdrawal, rejection of tender or termination of the Exchange Offer. Properly withdrawn Original

Notes may be retendered by following the procedures described above at any time on or prior to 5:00 P.M., New York City time, on the Expiration Date.

9. REQUESTS FOR ASSISTANCE OR ADDITIONAL COPIES.

Questions relating to the procedure for tendering, as well as requests for additional copies of the Prospectus and this Letter, and requests for Notices of Guaranteed Delivery and other related documents may be directed to the Exchange Agent, at the address and telephone number indicated above. All other questions regarding the Exchange Offer should be directed to the following address or phone number:

Office Depot, Inc.
2200 Old Germantown Road
Delray Beach, Florida 33445
(800) 937-3600
Attention: Investor Relations

TO BE COMPLETED BY ALL TENDERING HOLDERS
(SEE INSTRUCTION 4)

SUNTRUST BANK

SUBSTITUTE
PART 1 --
PLEASE
PROVIDE YOUR
TIN IN THE
BOX TIN: FORM
W-9 AT RIGHT
AND CERTIFY
BY SIGNING
AND DATING --

- BELOW.
SOCIAL
SECURITY
NUMBER OR
EMPLOYER
IDENTIFICATION
NUMBER -----

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE

PART 2 -- TIN APPLIED FOR []

PART 3 -- CERTIFICATION -- Under the penalties of perjury, I certify that:

- (1) the number shown on this form is my correct TIN (or I am waiting for a number to be issued to me),
- (2) I am not subject to backup withholding either because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (the "IRS") that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding and
- (3) I am a U.S. person.

You must cross out item (2) of the above certification if you have been notified by the IRS that you are subject to backup with holding because of underreporting of interest or dividends on your tax return and you have not been notified by the IRS that you are no longer subject to backup withholding.

Signature ----- Date -----

NOTE: FAILURE TO COMPLETE AND RETURN THIS FORM MAY RESULT IN BACKUP WITHHOLDING ON ANY PAYMENTS MADE TO YOU PURSUANT TO THE EXCHANGE, AS WELL AS FUTURE DIVIDEND PAYMENTS. PLEASE REVIEW THE ENCLOSED GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION NUMBER ON SUBSTITUTE FORM W-9 FOR ADDITIONAL INFORMATION.

YOU MUST COMPLETE THE FOLLOWING CERTIFICATE IF YOU CHECKED THE BOX IN PART 2 OF SUBSTITUTE FORM W-9

CERTIFICATE OF AWAITING TAXPAYER IDENTIFICATION NUMBER

I certify under penalties of perjury that a taxpayer identification number has not been issued to me, and either (a) I have mailed or delivered an application to receive a taxpayer identification number to the appropriate Internal Revenue Service Center or Social Security Administration Office or (b) I intend to mail or deliver an application in the near future. I understand that if I do not provide a taxpayer identification number by the time of the exchange, 28% of all reportable payments made to me thereafter will be withheld until I provide a number.

Signature ----- Date -----

NOTICE OF GUARANTEED DELIVERY
FOR

OFFICE DEPOT, INC.

This form or one substantially equivalent hereto must be used to accept the Exchange Offer of Office Depot, Inc. (the "Company") made pursuant to the Prospectus, dated _____, 2003 (the "Prospectus"), if the procedure for book-entry transfer cannot be completed on a timely basis or time will not permit all required documents to reach SunTrust Bank, as exchange agent (the "Exchange Agent") prior to 5:00 P.M., New York City time, on the Expiration Date of the Exchange Offer. Such form may be delivered or transmitted by facsimile transmission, mail or hand delivery to the Exchange Agent as set forth below. In addition, in order to utilize the guaranteed delivery procedure to tender the outstanding 6.25% Senior Notes due August 15, 2013 of the Company (the "Original Notes") pursuant to the Exchange Offer, a completed, signed and dated Letter of Transmittal (or facsimile thereof or Agent's Message in lieu thereof) must also be received by the Exchange Agent prior to 5:00 P.M., New York City time, on the Expiration Date. Capitalized terms not defined herein shall have the respective meanings ascribed to them in the Prospectus.

DELIVERY TO: SUNTRUST BANK, EXCHANGE AGENT

By Mail, Hand or Overnight Courier:

SunTrust Bank
FL-Miami-1020
Corporate Trust Division
777 Brickell Avenue
Miami, Florida 33131-2803

Attention: Holle Jeske

By Facsimile Transmission
(for Eligible Institutions only):
305-579-7017

Confirm by Telephone:
305-579-7009

DELIVERY OF THIS INSTRUMENT TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE, OR
TRANSMISSION OF THIS INSTRUMENT VIA FACSIMILE OTHER THAN AS SET FORTH ABOVE,
WILL NOT CONSTITUTE A VALID DELIVERY.

Ladies and Gentlemen:

Upon the terms and conditions set forth in the Prospectus and the accompanying Letter of Transmittal, the undersigned hereby tenders to the Company the principal amount of Original Notes set forth below pursuant to the guaranteed delivery procedure described in "The Exchange Offer -- Guaranteed Delivery Procedures" section of the Prospectus.

Must be signed by the holder(s) of Original Notes as their name(s) appear(s) on a security position listing, or by person(s) authorized to become registered holder(s) by endorsement and documents transmitted with this Notice of Guaranteed Delivery. If signature is by a trustee, executor, administrator, guardian, attorney-in-fact, officer or other person acting in a fiduciary or representative capacity, such person must set forth his or her full title below.

Principal Amount of Original Notes Tendered:*

\$

If Original Notes will be delivered by book-entry transfer to The Depository Trust Company, provide account number.

Account Number

PLEASE SIGN HERE

Principal Amount at Maturity of Old Notes

Tendered: *

If Old Notes will be delivered by book-entry transfer to the Depository Trust Company, provide account number.

Total Principal Amount at Maturity Represented by Old Notes Certificate(s):

\$

Account Number

Please Sign Here

X

X

Signature(s) of Owner(s) or Authorized Signatory

Date

Area Code and Telephone Number:

Please Print Name(s) and Address(es)

Name(s):

Capacity:

* Must be in denominations of principal amount of \$1,000 and any integral multiple thereof.

Must be in denominations of principal amount at maturity of \$1,000 and any integral multiple thereof.

Address(es): -----

X -----
X -----
SIGNATURE(S) OF OWNER(S) OR AUTHORIZED SIGNATORY DATE

Area Code and Telephone Number:

Please Print Name(s) and Address(es)
Name(s):

Capacity:

Address(es):

ALL AUTHORITY HEREIN CONFERRED OR AGREED TO BE CONFERRED SHALL SURVIVE THE DEATH OR INCAPACITY OF THE UNDERSIGNED AND EVERY OBLIGATION OF THE UNDERSIGNED HEREUNDER SHALL BE BINDING UPON THE HEIRS, PERSONAL REPRESENTATIVES, SUCCESSORS AND ASSIGNS OF THE UNDERSIGNED.

GUARANTEE
(NOT TO BE USED FOR SIGNATURE GUARANTEES)

The undersigned, a financial institution (including most banks, savings and loan associations and brokerage houses) that is a participant in the Securities Transfer Agents Medallion Program, the New York Stock Exchange Medallion Signature Program or the Stock Exchanges Medallion Program, hereby guarantees that the certificates representing the principal amount of Original Notes tendered hereby in proper form for transfer, or timely confirmation of the book-entry transfer of such Original Notes into the Exchange Agent's account at The Depository Trust Company pursuant to the procedures set forth in "The Exchange Offer -- Guaranteed Delivery Procedures" section of the Prospectus, together with one or more properly and duly executed Letters of Transmittal (or facsimile thereof or Agent's Message in lieu thereof) and any required signature guarantee and any other documents required by the Letter of Transmittal, will be received by the Exchange Agent at the address set forth above, no later than three New York Stock Exchange trading days after the Expiration Date.

Name of Firm

Authorized Signature

Address

Zip Code

Title

Name:

(PLEASE TYPE OR PRINT)

Area Code and Tel. No.

Dated:

OFFICE DEPOT, INC.

OFFER FOR ALL OUTSTANDING
6.25% SENIOR NOTES DUE AUGUST 15, 2013
IN EXCHANGE FOR
6.25% SENIOR NOTES DUE AUGUST 15, 2013
WHICH HAVE BEEN REGISTERED UNDER
THE SECURITIES ACT OF 1933, AS AMENDED

To Our Clients:

Enclosed for your consideration is a Prospectus, dated _____, 2003 (the "Prospectus"), and the related Letter of Transmittal (the "Letter of Transmittal"), relating to the offer (the "Exchange Offer") of Office Depot, Inc. (the "Company") to exchange its 6.25% Senior Notes due August 15, 2013, which have been registered under the Securities Act of 1933, as amended (the "Exchange Notes"), for its outstanding 6.25% Senior Notes due August 15, 2013 (the "Original Notes"), upon the terms and subject to the conditions described in the Prospectus and the Letter of Transmittal. The Exchange Offer is being made in order to satisfy certain obligations of the Company contained in the Exchange and Registration Rights Agreement dated August 11, 2003, by and among the Company and the initial purchasers referred to therein.

This material is being forwarded to you as the beneficial owner of the Original Notes held by us for your account but not registered in your name. A TENDER OF SUCH ORIGINAL NOTES MAY ONLY BE MADE BY US AS THE HOLDER OF RECORD AND PURSUANT TO YOUR INSTRUCTIONS.

Accordingly, we request instructions as to whether you wish us to tender on your behalf the Original Notes held by us for your account, pursuant to the terms and conditions set forth in the enclosed Prospectus and Letter of Transmittal.

Your instructions should be forwarded to us as promptly as possible in order to permit us to tender the Original Notes on your behalf in accordance with the provisions of the Exchange Offer. The Exchange Offer will expire at 5:00 P.M., New York City time, on _____, 2003, unless extended by the Company. Any Original Notes tendered pursuant to the Exchange Offer may be withdrawn at any time before the Expiration Date.

Your attention is directed to the following:

1. The Exchange Offer is for any and all Original Notes.
2. The Exchange Offer is subject to certain conditions set forth in the Prospectus in the section captioned "The Exchange Offer -- Conditions to the Exchange Offer."
3. Any transfer taxes incident to the transfer of Original Notes from the holder to the Company will be paid by the Company, except as otherwise provided in the Instructions in the Letter of Transmittal.
4. The Exchange Offer expires at 5:00 P.M., New York City time, on _____, 2003, unless extended by the Company.

If you wish to have us tender your Original Notes, please so instruct us by completing, executing and returning to us the instruction form on the back of this letter. THE LETTER OF TRANSMITTAL IS FURNISHED TO YOU FOR INFORMATION ONLY AND MAY NOT BE USED DIRECTLY BY YOU TO TENDER ORIGINAL NOTES.

INSTRUCTIONS WITH RESPECT TO
THE EXCHANGE OFFER

The undersigned acknowledge(s) receipt of your letter and the enclosed material referred to therein relating to the Exchange Offer made by Office Depot, Inc. with respect to its Original Notes.

This will instruct you to tender the Original Notes held by you for the account of the undersigned, upon and subject to the terms and conditions set forth in the Prospectus and the related Letter of Transmittal.

The undersigned expressly agrees to be bound by the enclosed Letter of Transmittal and that such Letter of Transmittal may be enforced against the undersigned.

Please tender the Original Notes held by you for my account as indicated below:

6.25% Senior Notes due August 15, 2013 \$ (Aggregate Principal Amount of Original Notes)

[] Please do not tender any Original Notes held by you for my account.

Dated: , 2003

Signature(s):

Print Name(s) here:

Print Address(es):

Area Code and Telephone Number(s):

Tax Identification or Social Security Number(s):

None of the Original Notes held by us for your account will be tendered unless we receive written instructions from you to do so. Unless a specific contrary instruction is given in the space provided, your signature(s) hereon shall constitute an instruction to us to tender all the Original Notes held by us for your account.

OFFICE DEPOT, INC.

OFFER FOR ALL OUTSTANDING
 6.25% SENIOR NOTES DUE AUGUST 15, 2013
 IN EXCHANGE FOR
 6.25% SENIOR NOTES DUE AUGUST 15, 2013
 WHICH HAVE BEEN REGISTERED UNDER
 THE SECURITIES ACT OF 1933, AS AMENDED

To: Brokers, Dealers, Commercial Banks, Trust Companies and other Nominees:

Office Depot, Inc. is offering, upon and subject to the terms and conditions set forth in the Prospectus, dated _____, 2003 (the "Prospectus"), and the enclosed letter of transmittal (the "Letter of Transmittal"), to exchange (the "Exchange Offer") its 6.25% Senior Notes due August 15, 2013, which have been registered under the Securities Act of 1933, as amended, for its outstanding 6.25% Senior Notes due August 15, 2013 (the "Original Notes"). The Exchange Offer is being made in order to satisfy certain obligations of the Company contained in the Exchange and Registration Rights Agreement dated August 11, 2003 by and among the Company and the initial purchasers referred to therein.

We are requesting that you contact your clients for whom you hold Original Notes regarding the Exchange Offer. For your information and for forwarding to your clients for whom you hold Original Notes registered in your name or in the name of your nominee, or who hold Original Notes registered in their own names, we are enclosing the following documents:

1. Prospectus dated _____, 2003;
2. The Letter of Transmittal for your use and for the information of your clients;
3. A Notice of Guaranteed Delivery to be used to accept the Exchange Offer if time will not permit all required documents to reach the Exchange Agent prior to the Expiration Date (as defined below) or if the procedure for book-entry transfer cannot be completed on a timely basis;
4. A form of letter which may be sent to your clients for whose account you hold Original Notes registered in your name or the name of your nominee, with space provided for obtaining such clients' instructions with regard to the Exchange Offer;
5. Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9; and
6. Return envelopes addressed to SunTrust Bank, the Exchange Agent for the Exchange Offer.

YOUR PROMPT ACTION IS REQUESTED. THE EXCHANGE OFFER WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON _____, 2003, UNLESS EXTENDED BY THE COMPANY (THE "EXPIRATION DATE"). ORIGINAL NOTES TENDERED PURSUANT TO THE EXCHANGE OFFER MAY BE WITHDRAWN AT ANY TIME BEFORE THE EXPIRATION DATE.

To participate in the Exchange Offer, a duly executed and properly completed Letter of Transmittal (or facsimile thereof or Agent's Message in lieu thereof), with any required signature guarantees and any other required documents, should be sent to the Exchange Agent and certificates representing the Original Notes should be delivered to the Exchange Agent, all in accordance with the instructions set forth in the Letter of Transmittal and the Prospectus.

If a registered holder of Original Notes desires to tender, but time will not permit required documents to reach the Exchange Agent before the Expiration Date, or the procedure for book-entry transfer cannot be completed on a timely basis, a tender may be effected by following the guaranteed delivery procedures described in the Prospectus under the caption "The Exchange Offer -- Guaranteed Delivery Procedures."

The Company will, upon request, reimburse brokers, dealers, commercial banks and trust companies for reasonable and necessary costs and expenses incurred by them in forwarding the Prospectus and the related documents to the beneficial owners of Original Notes held by them as nominee or in a fiduciary capacity. The

Company will pay or cause to be paid all stock transfer taxes applicable to the exchange of Original Notes pursuant to the Exchange Offer, except as set forth in Instruction 6 of the Letter of Transmittal.

Any inquiries you may have with respect to the Exchange Offer, or requests for additional copies of the enclosed materials, should be directed to State Street Bank and Trust Company, the Exchange Agent for the Exchange Offer, at its address and telephone number set forth on the front of the Letter of Transmittal.

Very truly yours,

OFFICE DEPOT, INC.

NOTHING HEREIN OR IN THE ENCLOSED DOCUMENTS SHALL CONSTITUTE YOU OR ANY PERSON AS AN AGENT OF THE COMPANY OR THE EXCHANGE AGENT, OR AUTHORIZE YOU OR ANY OTHER PERSON TO USE ANY DOCUMENT OR MAKE ANY STATEMENTS ON BEHALF OF EITHER OF THEM WITH RESPECT TO THE EXCHANGE OFFER, EXCEPT FOR STATEMENTS EXPRESSLY MADE IN THE PROSPECTUS OR THE LETTER OF TRANSMITTAL.

Enclosures

GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION
NUMBER ON SUBSTITUTE FORM W-9

GUIDELINES FOR DETERMINING THE PROPER IDENTIFICATION NUMBER TO GIVE THE
PAYER -Social security numbers have nine digits separated by two hyphens: i.e.
000-00-0000. Employer identification numbers have nine digits separated by only
one hyphen: i.e. 00-0000000. The table below will help determine the number to
give the payer.

- - - - -

----- FOR
THIS TYPE OF
ACCOUNT: GIVE
NAME AND SSN
OF: - - - - -

----- 1.
Individual
The
individual 2.
Two or more
individuals
The actual
owner of the
(joint
account)
account or,
if combined
funds, the
first
individual on
the
account(1) 3.
Custodian
account of a
The minor(2)
minor

(Uniform Gift
to Minors
Act) 4. a.
The usual
revocable The
grantor-
trustee(1)
savings trust
(grantor is
also trustee)
b. So-called
trust The
actual
owner(1)
account that
is not a
legal or
valid trust
under state
law 5. Sole
proprietorship
or The
owner(3)
single-owner
LLC - - - - -

- - - - -

----- FOR
THIS TYPE OF
ACCOUNT: GIVE
NAME AND EIN
OF: - - - - -

----- 6.
Sole
proprietorship
or The
owner(3)
single-owner
LLC 7. A
valid trust,
estate, Legal
entity(4) or

GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION
NUMBER ON SUBSTITUTE FORM W-9

OBTAINING A NUMBER

If you don't have a taxpayer identification number or you do not know your number, obtain Form SS-5, Application for a Social Security Number Card (for resident individuals). Form SS-4, Application for Employer Identification Number (for business and all other entities), or Form W-7 for an IRS Individual Taxpayer Identification Number (for alien individuals required to file U.S. tax returns), at an office of the Social Security Administration or the Internal Revenue Service.

To complete Substitute Form W-9, if you do not have a taxpayer identification number, write "Applied For" in the space for the taxpayer identification number in Part I, sign and date the Form, and give it to the requester. Generally, you will then have 60 days to obtain a taxpayer identification number and furnish it to the requester. If the requester does not receive your taxpayer identification number within 60 days, backup withholding, if applicable, will begin and will continue until you furnish your taxpayer identification number to the requester.

PAYEES EXEMPT FROM BACKUP WITHHOLDING

Unless otherwise noted herein, all references below to section numbers or to regulations are references to the Internal Revenue Code and the regulations promulgated thereunder.

Payees specifically exempted from backup withholding on ALL payments include the following:

- An organization exempt from tax under section 501(a), or an individual retirement plan, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2).
- The United States or any agency or instrumentality thereof.
- A State, the District of Columbia, a possession of the United States, or any political subdivision or instrumentality thereof.
- A foreign government or a political subdivision, agency or instrumentality thereof.
- An international organization or any agency, or instrumentality thereof.

Other payees that MAY BE EXEMPT from backup withholding include:

- A corporation;
- A foreign central bank of issue;
- A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States;
- A futures commission merchant registered with the Commodity Futures Trading Commission;
- A real estate investment trust;
- An entity registered at all times during the tax year under the Investment Company Act of 1940;
- A common trust fund operated by a bank under section 584(a);
- A financial institution;
- A middleman known in the investment community as a nominee or custodian; or
- A trust exempt from tax under section 664 or described in section 4947.

Payments of dividends and patronage dividends not generally subject to backup withholding include the following:

- Payments to nonresident aliens subject to withholding under section 1441.
- Payments to partnerships not engaged in a trade or business in the United States and which have at least one nonresident alien partner.
- Payments of patronage dividends where the amount received is not paid in money.
- Payments made by certain foreign organizations.
- Section 404(k) payments made by an ESOP.

Payments of interest not generally subject to backup withholding include the following:

- Payments of interest on obligations issued by individuals. Note: You will be subject to backup withholding if (i) this interest is \$600 or more, and (ii) the interest is paid in the course of the payer's trade or business and (iii) you have not provided your correct taxpayer identification number to the payer.
- Payments of tax-exempt interest (including exempt-interest dividends under section 852).
- Payments described in section 6049(b)(5) to nonresident aliens.
- Payments on tax-free covenant bonds under section 1451.
- Payments made by certain foreign organizations.
- Mortgage or student loan interest paid to you.

Exempt payees described above should file a Substitute Form W-9 to avoid possible erroneous backup withholding. FILE THIS FORM WITH THE PAYER. FURNISH YOUR TAXPAYER IDENTIFICATION NUMBER, WRITE "EXEMPT" ON THE FACE OF THE FORM, SIGN AND DATE THE FORM, AND RETURN IT TO THE PAYER.

Certain payments other than interest, dividends, and patronage dividends that are not subject to information reporting are also not subject to backup withholding. For details, see the regulations under sections 6041, 6041A, 6042, 6044, 6045, 6049, 6050A, and 6050N, and their regulations.

PRIVACY ACT NOTICES -- Section 6109 requires most recipients of dividends, interest, or other payments to give taxpayer identification numbers to payers who must report the payments to the IRS. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. Payers must be given the number whether or not recipients are required to file tax returns. Payers must generally withhold 28% of taxable interest, dividends, and certain other payments to a payee who does not furnish a taxpayer identification number to a payer. Certain penalties may also apply.

PENALTIES

(1) PENALTY FOR FAILURE TO FURNISH TAXPAYER IDENTIFICATION NUMBER. -- If you fail to furnish your taxpayer identification number to a payer, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

(2) CIVIL PENALTY FOR FALSE STATEMENTS WITH RESPECT TO WITHHOLDING. -- If you make a false statement with no reasonable basis which results in no imposition of backup withholding, you are subject to a penalty of \$500.

(3) CRIMINAL PENALTY FOR FALSIFYING INFORMATION. -- If you falsify certifications or affirmations, you are subject to criminal penalties including fines and/or imprisonment.

FOR ADDITIONAL INFORMATION CONTACT YOUR TAX
CONSULTANT OR THE INTERNAL REVENUE SERVICE

