FORM 10-K

Annual report pursuant to section 13 and 15(d)

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MAYTAG CORP

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

FORM 10-K

(X) Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 (Fee Required)
For the Fiscal Year Ended December 31, 1995

OR

( ) Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 (No Fee Required)
For the transition period from _____ to _____

Commission file number 1-655

MAYTAG CORPORATION

A Delaware Corporation I.R.S. Employer Identification No. 42-0401785

403 West Fourth Street North, Newton, Iowa 50208

Registrant's telephone number, including area code: 515-792-8000

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common Stock, $1.25 par value	New York Stock Exchange
Preferred Stock Purchase Rights	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

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

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ( )

The aggregate market value of the voting stock (Common stock) held by non-affiliates of the registrant as of the close of business on March 1, 1996 was $2,075,568,600. The number of shares outstanding of the registrant's Common Stock (par value $1.25) as of the close of business on March 1, 1996 was 105,092,081.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Company's definitive proxy statement dated March 20, 1996 for the annual shareholders meeting to be held April 30, 1996 are incorporated by reference into Part III.

1995 FORM 10-K CONTENTS

PART I

Item 1. Business.

Maytag Corporation (the "Company") was organized as a Delaware corporation in 1925. The Company operates in two business segments: home appliances and vending equipment. Financial and other information relating to industry segment and geographic data is included in Part II, Item 7, Pages 9-13, and Item 8, Pages 35 and 36.

HOME APPLIANCES

The home appliances segment represented 93.6 percent of consolidated net sales in 1995.

The Company, through its various business units, manufactures, distributes and services a broad line of home appliances including laundry equipment, dishwashers, refrigerators, cooking appliances, vacuum cleaners and steam carpet cleaners. The Company's appliance brands include Maytag, Jenn-Air, Magic Chef, Admiral and Hoover. Maytag Customer Service handles parts distribution and customer service in the United States and Canada for the Company's appliance brands, except Hoover. Maytag International, Inc., the Company's international marketing subsidiary, handles the sales of appliances and licensing of certain home appliance brands in markets outside the United States and Canada. In the second quarter of 1995, the Company sold its home appliance operations in Europe and in the fourth quarter of 1994, the Company sold its home appliance operations in Australia and New

Zealand. Additional information regarding these divestitures is included in Part II, Item 7, Pages 10 and 13; and Item 8, Page 25. The operations of the Maytag Financial Services Corporation, which provided financing programs primarily to certain customers of the Company in North America, ceased in 1995. However, certain financing programs continue through the Company's other business units and subsidiaries. Most home appliance sales are made within North America.

The Company markets its home appliances to all major United States and certain international markets, including the replacement market, the commercial laundry market, the new home and apartment builder market, the recreational vehicle market, the private label market and the household/commercial floor care market. Products are primarily sold to dealers, but also sold through independent distributors, mass merchandisers and large regional and national department stores.

A portion of the Company's operations and sales is outside the United States. The risks involved in foreign operations vary from country to country and include tariffs, trade restrictions, changes in currency values, economic conditions and international relations. Geographic information is included in Part II, Item 8, Page 36.

The Company uses basic raw materials such as steel, copper, aluminum, rubber and plastic in its manufacturing process in addition to purchased motors, compressors, timers, valves and other components. These materials are supplied by established sources and the Company anticipates that such sources will, in general, be able to meet its future requirements.

The Company holds a number of patents which are important in the manufacture of its products. The licenses it holds on other patents are not considered to be critical to its business. The Company holds a number of trademark

registrations of which the most important are ADMIRAL, HOOVER, JENN-AIR, MAGIC CHEF, MAYTAG and the associated corporate symbols.

The Company's home appliance business is not seasonal.

The Company is not dependent upon a single home appliance customer or a few customers. Therefore, the loss of any one customer would not have a material adverse effect on its business.

The dollar amount of backlog orders of the Company is not considered significant for home appliances in relation to the total annual dollar volume of sales. Because it is the Company's practice to maintain a level of inventory sufficient to cover anticipated shipments and since orders are generally shipped upon receipt, a large backlog would be unusual.

The home appliance market is highly competitive with the principal competitors being larger than the Company. Competitive pressures make price increases difficult to implement. The Company experienced increases in material costs in 1995 that could not be passed on to customers because of competitive conditions. The Company uses brand image, product quality, customer service, advertising and sales promotion, warranty and pricing as its principal methods of competition.

Expenditures for company-sponsored research and development activities relating to the development of new products and the improvement of existing products are included in Part II, Item 8, page 36.

Although the Company has many manufacturing sites with environmental concerns, compliance with laws and regulations regarding the discharge of materials into the environment or relating to the protection of the environment has not had a material effect on capital expenditures, earnings or the Company's competitive position.

The Company continues to progress on major capital projects implemented to address the stricter governmental energy and environmental standards regarding appliances which may become effective over the next several years. These standards, which effect the entire appliance industry, include the mandated phase-out of chloroflourocarbons ("CFCs") production by December 31, 1995 which are used in refrigeration and regulations dealing with energy usage. The Company intends to be in compliance with these various standards as they become effective.

The Company has been identified as one of a group of potentially responsible

parties by state and federal environmental protection agencies in remedial activities related to various "Superfund" sites in the United States. The Company does not presently anticipate any material adverse effect upon the Company's earnings or financial condition arising from resolution of these matters.

The number of employees of the Company within the home appliances segment as of February 24, 1996 was 15,168.

VENDING EQUIPMENT

The vending equipment segment represented 6.4 percent of consolidated net sales in 1995.

The Company manufactures, through its Dixie-Narco subsidiary, a variety of

bottle and can vending equipment and glass front coolers. The products are sold worldwide primarily to soft drink bottlers and vending equipment distributors.

Dixie-Narco introduced a new flexible can/bottle vending machine in 1995 which maximizes the different sizes and types of beverage selections. This new vending machine also has the electronic capability to collect and store sales information. In the fourth quarter of 1995, the Company sold the business and assets of a Dixie-Narco manufacturing operation in Eastlake, Ohio ("Eastlake Operation"). The Eastlake Operation designs and manufactures currency validators and electronic components used in the gaming and vending industries. Dixie-Narco's headquarters and vending machine manufacturing facility in Williston, South Carolina, are not affected by this business disposition. Additional information regarding this divestiture is included in Part II, Item 7, Page 10.

The Company uses steel as a basic raw material in its manufacturing processes in addition to purchased motors, compressors and other components made of copper, aluminum, rubber, glass and plastic. These materials are supplied by established sources and the Company anticipates that such sources will, in general, be able to meet its future requirements.

The Company holds a number of patents which are important in the manufacture of its products. The Company holds a DIXIE-NARCO trademark registration and its associated corporate symbol.

Vending equipment sales, though stronger in the first six months of the year, are considered by the Company to be essentially nonseasonal.

The Company's vending equipment segment is dependent upon a few major soft drink suppliers. Therefore, the loss of one or more of these customers could have a material adverse effect on this segment. The Company manufactures and sells its vending machines and glass front coolers in competition with a small number of other manufacturers and is the major manufacturer of such equipment. The principal methods of competition utilized by the vending equipment segment are product quality, customer service, delivery, warranty and price. Positive factors pertaining to the Company's competitive position include product design, manufacturing efficiency and superior service, while new product innovations by competitors and severe price competition negatively impact its position.

The dollar amount of backlog orders of the Company is not considered significant for vending equipment in relation to the total annual dollar volume of sales. Because it is the Company's practice to maintain a level of inventory sufficient to cover shipments and since orders are generally shipped upon receipt, a large backlog would be unusual.

Although the Company has manufacturing sites with environmental concerns, compliance with laws and regulations regarding the discharge of materials into the environment or relating to the protection of the environment has not had a material effect on capital expenditures, earnings or the Company's competitive position. The government mandated phase-out of the production of chloroflourocarbons ("CFCs") by December 31, 1995 affects the vending equipment industry. However, these requirements are not anticipated to have a material impact on the business.

The number of employees of the Company within the vending equipment segment as of February 24, 1996 was 945.

Item 2. Properties.

The Company's corporate headquarters is located in Newton, Iowa. Major offices and manufacturing facilities in the United States related to the home appliances segment are located in: Newton, Iowa; Galesburg, Illinois; Cleveland, Tennessee; Indianapolis, Indiana; Jackson, Tennessee; Herrin, Illinois; North Canton, Ohio; and El Paso, Texas. Maytag Customer Service, which is located in Cleveland, Tennessee, operates an automated national parts distribution center in Milan, Tennessee which services all of the Company's appliance brands, except Hoover. In addition to manufacturing facilities in the United States, the Company has three other North American manufacturing facilities located in Canada and Mexico. In the fourth quarter of 1994, the Company sold its home appliance facilities in Australia and New Zealand. In the second quarter of 1995, the Company sold its home appliance facilities in Europe.

In February 1996, the Company announced that it will consolidate the manufacturing of Jenn-Air brand cooking products at the larger Cleveland, Tennessee, cooking products plant, and phase out production at its Indianapolis, Indiana, facility by the end of 1996.

The office and manufacturing facility related to the vending equipment segment is located in Williston, South Carolina. In the fourth quarter of 1995, the Company sold its currency validator and electronic component facility in Eastlake, Ohio.

The manufacturing facilities are well maintained, suitably equipped and in good operating condition. The facilities used in the production of home appliances and vending equipment had sufficient capacity to meet production needs in 1995, and the Company expects that such capacity will be adequate for planned production in 1996. The Company's major capital projects and planned capital expenditures for 1996 are described in Part II, Item 7, Page 14.

The Company also owns or leases sales offices in many large metropolitan areas throughout the United States and Canada. Lease commitments are included in Part II, Item 8, Page 33.

Item 3. Legal Proceedings.

The Company is involved in contractual disputes, environmental, administrative and legal proceedings and investigations of various types. Although any litigation, proceeding or investigation has an element of uncertainty, the Company believes that the outcome of any proceeding, lawsuit or claim which is pending or threatened, or all of them combined, will not have a material adverse effect on its consolidated financial position.

Item 4. Submission of Matters to a Vote of Security Holders.

The Company did not submit any matters to a vote of security holders during the fourth quarter of 1995 through a solicitation of proxies or otherwise.

EXECUTIVE OFFICERS OF THE REGISTRANT

The following sets forth the names of all executive officers of the Company, the offices held by them, the year they first became an officer of the Company and their ages:

Name	Office Held	First Became an Officer	Age
Leonard A. Hadley	Chairman and Chief Executive Officer	1979	61
Donald M. Lorton	Executive Vice President, President of Maytag Appliances (Acting)	1995	65
Gerald J. Pribanic	Executive Vice President and Chief		

	Financial Officer	1996	52
Brian A. Girdlestone	President, The Hoover Company	1996	62
Robert W. Downing	President, Dixie-Narco, Inc.	1996	59
Edward H. Graham	Senior Vice President, General Counsel and Assistant Secretary	1990	60
Jon O. Nicholas	Vice President, Human Resources, Maytag Appliances	1993	56
Carleton F. Zacheis	Senior Vice President, Administrative	1988	62
John M. Dupuy	Vice President, Strategic Planning	1996	39
David D. Urbani	Vice President and Treasurer	1994	50
Steven H. Wood	Vice President, Financial Reporting and Audit	1996	38

The executive officers were elected to serve in the indicated office until the organizational meeting of the Board of Directors following the annual meeting of shareholders on April 30, 1996 or until their successors are elected.

Each of the executive officers has served the Company in various executive or administrative positions for at least five years except for:

Name	Company/Position	Period
John M. Dupuy	A. T. Kearney - Principal Consultant	1993-1995
	Booz, Allen & Hamilton - Principal Consultant	1985-1993
David D. Urbani	Air Products and Chemicals, Inc. - Assistant Treasurer	1984-1994

PART II

Item 5. Market for Registrant's Common Equity and Related Stockholder Matters.

	Sale Price of Common Shares				Dividends Per Share	
	1995		1994			
Quarter	High	Low	High	Low	1995	1994
First	$17 1/8	$14 1/2	$20	$16	$.125	$.125
Second	17 5/8	15 3/8	19 3/4	16 1/2	.125	.125
Third	18 1/8	15 1/4	20 1/8	14 7/8	.125	.125
Fourth	21 1/2	17 3/8	16 5/8	14	.14	.125

The principal U.S. market in which the Company's common stock is traded is the New York Stock Exchange. As of March 1 1996, the Company had 30,571 shareowners of record.

Item 6. Selected Financial Data.

Dollars in thousands except per share data	1995 (1)	1994 (2)	1993 (3)	1992 (4)	1991
Net sales - as reported	$3,039,524	$3,372,515	$2,987,054	$3,041,223	$2,970,626
Net sales - ongoing operations	2,858,347	2,831,583	2,468,374	2,407,591	2,332,365
Gross profit	788,908	876,450	724,112	701,817	716,405
Percent to sales	26.0%	26.0%	24.2%	23.1%	24.1%

Operating profit	$ 288,234	$ 322,768	$ 158,878	$ 78,567	$ 191,507
Percent to sales	9.5%	9.6%	5.3%	2.6%	6.4%
Income(loss) from continuing operations before special items	$ 144,653	$ 147,557	$ 81,270	$ 65,446	$ 79,017
Percent to sales	4.8%	4.4%	2.7%	2.2%	2.7%
Per share	$ 1.35	$ 1.38	$ 0.76	$ 0.62	$ 0.75
Income(loss) from continuing operations	(14,996)	151,137	51,270	(8,354)	79,017
Percent to sales	(.5%)	4.5%	1.7%	(.3%)	2.7%
Per share	$ (0.14)	$ 1.42	$ 0.48	$ (0.08)	$ 0.75
Dividends paid per share	.515	.50	.50	.50	.50
Average shares outstanding	107,062	106,795	106,252	106,077	105,761
Working capital	$ 543,431	$ 595,703	$ 406,181	$ 452,626	$ 509,025
Depreciation of property, plant and equipment	102,572	110,044	102,459	94,032	83,352
Additions to property, plant and equipment	152,914	84,136	99,300	129,891	143,372
Total assets	2,125,066	2,504,327	2,469,498	2,501,490	2,535,068
Long-term debt	536,579	663,205	724,695	789,232	809,480
Total debt to capitalization	45.9%	50.7%	60.6%	58.7%	45.9%

Shareowners' equity per share of Common stock	$ 6.05	$ 6.82	$ 5.50	$ 5.62	$ 9.50

(1) Income (loss) from continuing operations includes a $135.4 million after-tax loss on the sale of the Company's home appliance operations in Europe, a $9.9 million after-tax charge to settle a lawsuit relating to the closing of the former Dixie-Narco plant in Ranson, West Virginia, a $3.6 million after-tax loss on the disposal of its Dixie-Narco operations in Eastlake, Ohio and a $10.8 million after-tax loss on guarantee of indebtedness relating to the sale of one its manufacturing plants in 1992. Excludes the extraordinary loss on the early retirement of debt.

(2) Income (loss) from continuing operations includes a $20 million one-time tax benefit associated with the funding of reorganization costs in Europe over the past several years and a $16.4 million after-tax loss from the sale of the Company's home appliance operations in Australia. Excludes the cumulative effect of an accounting change.

Prior to the quarter ended December 31, 1994, the Company's European subsidiaries were consolidated as of a date one month earlier than subsidiaries in the United States. In the fourth quarter of 1994, this one month reporting lag was eliminated and European results for the quarter ended December 31, 1994 include activity for four months. The effect of this change increased net sales by $25.2 million in the fourth quarter and the impact on income from continuing operations was not significant.

(3) Operating profit and income (loss) from continuing operations include $60.4 million in pretax charges ($50 million in a special charge, or $30 million after-tax and $10.4 million in selling, general and administrative expenses) for additional costs associated with two Hoover Europe "free flights" promotion programs.

(4) Operating profit and income (loss) from continuing operations include a $95 million pretax charge, or $73.8 million after-tax, relating to the reorganization of the North American and European business units. Excludes the cumulative effect of accounting changes.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Comparison of 1995 with 1994

The Company operates in two business segments, home appliances and vending equipment. The operations of the home appliance segment represented 93.6 percent of net sales in 1995 and 94.3 percent of net sales in 1994.

NET SALES

The Company's consolidated net sales decreased 9.9 percent in 1995 compared to 1994 as reported. However, net sales were up 0.9 percent after excluding net sales of $142 million in 1994 made by its home appliance operations in Australia and New Zealand ("Australian Operations"), which were sold in December 1994, and net sales of $399 million in 1994 and $181.2 million in 1995 made by its home appliance operations in Europe ("European Operations"), which were sold in June 1995.

Sales by the North American Appliance Group increased 0.9 percent from 1994.

The Group's performance in 1995 is consistent with overall U.S. industry performance for comparable major product categories with the Company's market share remaining relatively unchanged. Shipments in the U.S. appliance industry in 1995 were slightly below the record shipment levels in 1994 due to downward inventory adjustments by dealers and a slowdown in general economic conditions. The industry projects 1996 appliance sales in the U.S. to be consistent with or slightly higher than 1995 levels. Vending equipment sales increased 1.5 percent due to growth in demand for the Company's core soft drink vending machines and glass front merchandiser products.

GROSS PROFIT

Gross profit as a percent of sales in 1995 remained flat with 1994 at 26.0 percent of sales. Margins in the North American Appliance Group decreased due to increases in material costs that could not be passed on to customers because of competitive conditions. Vending equipment margins increased due to the implementation of cost improvement projects. Consolidated gross profit margins remained flat as the impact of the increase in material costs was offset by divestitures of the lower margin Australian Operations and European Operations. Material costs are expected to decrease moderately in 1996 with a corresponding improvement in gross margins.

SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

Selling, general and administrative (S,G&A) expenses remained relatively flat at 16.5 percent of sales in 1995 compared to 16.4 percent of sales in 1994.

OPERATING INCOME

Operating income for 1995 totaled $288.2 million or 9.5 percent of sales compared to $322.8 million or 9.6 percent of sales in 1994. Excluding the Australian and European Operations, operating income totaled $295.4 million in 1995 or 10.3 percent of sales compared to $309.8 million or 10.9 percent of sales in 1994.

INTEREST EXPENSE

Interest expense decreased 29.7 percent from 1994 due to debt reduction from application of proceeds from the sale of the Australian and European Operations and from cash provided by ongoing operations.

LOSS ON BUSINESS DISPOSITIONS

In 1995 and 1994 the Company divested several under-performing businesses to improve shareowner value. The absence of these operations is expected to have a favorable impact on results of the Company going forward. In the second quarter of 1995, the Company sold its European Operations for $164.3 million in cash, subject to a post closing adjustment to the price. The pretax loss from the sale was $140.8 million and resulted in an after-tax loss of $135.4 million, or $1.27 per share. In the fourth quarter of 1995, the Company sold the business and assets of a Dixie-Narco manufacturing operation in Eastlake, Ohio ("Eastlake Operation"). The Eastlake Operation designs and manufactures currency validators and electronic components used in the gaming and vending industries. Dixie-Narco's headquarters and vending machine manufacturing facility in Williston, SC, are not affected by this business disposition. The pretax loss from the sale was $6 million and

resulted in an after-tax loss of $3.6 million, or $.03 per share. In the fourth quarter of 1994, the Company sold its Australian Operations for $82.1 million in cash. The pretax loss from the sale was $13.1 million and resulted in an after-tax loss of $16.4 million. See further discussion under "Comparison of 1994 with 1993."

SETTLEMENT OF LAWSUIT

In the third quarter of 1995, the Company recorded a $16.5 million charge to settle a lawsuit relating to the 1991 closing of a former Dixie-Narco plant in Ranson, West Virginia. The after-tax charge was $9.9 million or $.09 per share.

LOSS ON GUARANTEE OF INDEBTEDNESS

The Company is contingently liable under guarantees for indebtedness owed by a third party ("borrower") of $23 million relating to the sale in 1992 of one of the Company's manufacturing facilities. The borrower is presently in default under the terms of the loan agreement. Although the indebtedness is collateralized by the assets of the borrower, the net realizable value of these assets is substantially less than the amount of indebtedness. The borrower also has another outstanding debt of $2.5 million to the Company. In the fourth quarter of 1995, the Company recorded an $18 million charge to establish a reserve for the loan guarantees and other debt. The after-tax charge was $10.8 million or $.10 per share.

INCOME TAXES

The significant increase in the effective tax rate is due largely to valuation allowances established against deferred tax assets relating to capital loss carryforwards from the loss on the sale of the European Operations. As tax strategies are identified and implemented, tax benefits will be recognized and the valuation allowance will be reduced. Excluding amounts relating to the loss on the sale of the European Operations, the effective tax rate was 40 percent in 1995. In 1994, a $20 million tax benefit was recorded associated with the funding of operating losses and reorganization costs in Europe over the past several years. This benefit was partially offset by the tax expense arising from the sale of the Australian Operations. Excluding these special items, the effective tax rate was 42 percent in 1994. The decrease in the effective tax rate from 42 percent in 1994 to 40 percent in 1995 is primarily due to tax benefits from an increase in export sales from the United States.

EXTRAORDINARY ITEM

In 1995, the Company retired $116.5 million of long-term debt at a cost of $5.5 million after-tax or $.05 per share.

ACCOUNTING CHANGE

In 1994, the Company adopted Financial Accounting Standards Board Statement No. 112 (FAS 112), "Employers' Accounting for Postemployment Benefits." The new rules required recognition of a liability for certain disability and severance benefits to former or inactive employees. The cumulative effect of this accounting change in 1994 was $3.2 million after-tax or $.03 per share.

NET INCOME (LOSS)

Special items in 1995 include the $135.4 million after-tax loss on the sale of the European Operations, the $3.6 million after-tax loss on the sale of the Eastlake Operation, the $9.9 million after-tax lawsuit settlement charge, the $10.8 million after-tax charge for the guarantee of indebtedness and the $5.5 million extraordinary item from the early retirement of debt. Excluding these special items, as well as the 1994 special items, income for 1995 would have been $144.7 million, or $1.35 per share, compared to income of $147.6 million, or $1.38 per share in 1994. Special items in 1994 include a $16.4 million after-tax loss on sale of the Australian Operations,

a $20 million tax benefit associated with the funding of operating losses and reorganization costs in Europe over the past several years and a $3.2 million cumulative effect of accounting change.

Comparison of 1994 with 1993

The Company operates in two business segments, home appliances and vending equipment. The operations of the home appliance segment represented 94.3 percent of net sales in 1994 and 94.8 percent of net sales in 1993.

NET SALES

The Company's consolidated net sales increased 12.9 percent in 1994 compared to 1993. Sales in the North American Appliance Group increased 14.2 percent from 1993 due to strong industry growth and market share gains in virtually all product categories. These market share gains were achieved through new product introductions and promotion of the premium Maytag and Jenn-Air brands. Consolidated results for 1994 include thirteen months of operations for certain subsidiaries in Europe as a one-month reporting lag was eliminated. Including this additional month in the fourth quarter of 1994, European sales for the year increased 2.1 percent from 1993. On a comparable basis, European sales decreased 4.3 percent from 1993 resulting from industry declines and market share losses. The loss of market share in Europe was partially due to a strategic reduction in certain unprofitable product lines and sales channels. Vending equipment sales increased 22.4 percent in 1994 resulting from increased demand for the Company's core soft drink vending machines from new and existing domestic customers and sales of a new glass front merchandiser.

GROSS PROFIT

Gross profit as a percent of sales increased 1.8 points resulting from improvements in both industry segments. Margins in the North American Appliance Group increased due to the favorable mix of the premium priced brands, higher margins of new products, coordinated materials purchasing efforts and volume related factory efficiencies. The improvement in European margins resulted from the elimination of excess production capacity, reduction of headcount levels and favorable product mix. Vending equipment margins declined primarily due to unfavorable mix of electronic venders. The decline in vending equipment margins was greater in the fourth quarter than in previous quarters of 1994 due to unfavorable mix of glass front merchandisers sold outside the United States.

SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

Selling, general and administrative (S,G&A) expenses decreased to 16.4 percent of sales in 1994 from 17.2 percent in 1993. The decrease resulted

from higher sales volumes and cost control in both the appliances and vending equipment segments. Staffing reductions in Europe also contributed to the improvement from 1993. A reversal of excess reserves relating to the 1992 reorganization of the North American Appliance Group decreased S,G&A by $5 million in the fourth quarter of 1994. Results for Europe in the fourth quarter of 1994 include $4.7 million of restructuring costs, the majority of which is included in S,G&A.

The special charge in 1993 consisted of a $50 million pretax charge to cover additional costs associated with two "free flights" promotional programs in Europe. Total pretax charges relating to the "free flights" promotion program in 1993 were $60.4 million ($50 million in a special charge and $10.4 million in S,G&A). Offsetting a portion of the 1993 European "free flights" expenses in S,G&A was a $5 million reversal of excess reorganization expenses in Europe.

OPERATING INCOME

Operating income for 1994 totaled $322.8 million or 9.6 percent of sales compared to $158.9 million or 5.3 percent of sales in 1993. Before the special charge, operating income in 1993 was $208.9 million or 7.0 percent of sales.

OTHER INCOME AND EXPENSE

In the fourth quarter of 1994, the Company sold its home appliance operations in Australia and New Zealand ("Australian Operations") for $82.1

million in cash. The pretax loss from the sale was $13.1 million and resulted in an after-tax loss of $16.4 million. The pretax loss resulted primarily from recognition of the foreign currency translation loss that the Company had accumulated in Shareowners' Equity since the operations were acquired in 1989. The higher loss after-tax resulted from a lower tax basis in the operations, as compared to the book investment, in computing the tax liability.

INCOME TAXES

The decrease in the effective tax rate from 1993 was primarily due to a $20 million tax benefit recorded in the third quarter of 1994 associated with the funding of operating losses and reorganization costs in Europe over the past several years. This benefit was partially offset by the tax expense arising from the divestiture of Australia. The notes to the consolidated financial statements include a reconciliation between the statutory tax and the actual tax provided.

ACCOUNTING CHANGE

In the first quarter of 1994, the Company adopted Financial Accounting Standards Board Statement No. 112 (FAS 112), "Employers' Accounting for Postemployment Benefits." The new rules required recognition of a liability for certain disability and severance benefits to former or inactive employees. The cumulative effect of this accounting change in 1994 was $3.2 million or $.03 per share. The ongoing expenses associated with adoption of the new statement are not significant.

NET INCOME

Excluding the $16.4 million after-tax loss on the sale of the Australian

Operations in 1994, the $3.2 million cumulative effect of accounting change in 1994, the $20 million special tax benefit in 1994 and the $30 million after-tax special "free flights" promotion charge in 1993, income would have been $147.6 million or $1.38 per share in 1994 compared to $81.3 million or $.76 per share in 1993.

Liquidity and Capital Resources

During the year, the Company's primary sources of liquidity were cash provided by operating activities, proceeds from business divestitures and external debt. Detailed information on the Company's cash flows is presented in the Statements of Consolidated Cash Flows.

CASH FLOW FROM OPERATING ACTIVITIES

Cash flow generated from operating activities consists of net income adjusted for certain non-cash income and expenses and changes in working capital. Non-cash income and expenses include items such as depreciation, amortization and deferred income taxes. Working capital consists primarily of accounts receivable, inventory and current liabilities.

Cash flow from operating activities improved in 1995 compared to 1994 primarily as a result of a decrease in accounts receivable. Included in the working capital improvement was the sale of $43 million of accounts receivable relating to Maytag Financial Services which ceased operations in 1994. In addition, cash outflows for 1994 included $53 million of payments for the 1992 reorganization of the European operations and the 1992/1993 European "free flights" promotional programs. The funding of these events was substantially completed in 1994.

CASH FLOW FROM INVESTING ACTIVITIES

The $148.5 million proceeds from business disposition in 1995 includes the $164.3 million in cash received from the sale of the European Operations, net of $15.8 million cash in the business sold. Proceeds from the sale of the Australian Operations provided cash of $82.1 million in 1994, net of $2.7 million cash in the business sold.

The Company continually invests in its businesses to improve product design and manufacturing processes and to increase capacity when needed. Capital spending in 1995 was significantly higher than 1994 due to the continuation of several major capital projects that the Company will be implementing over the next several years. These projects include a new high efficiency

clothes washer and a complete redesign of the Company's refrigerator product lines. Planned capital expenditures for 1996 approximate $200 million and relate to these new projects as well as other ongoing production improvements and product enhancements. Capital spending in 1996 includes approximately $9 million of interest expense which will be capitalized as a result of the major capital projects described above.

CASH FLOW FROM FINANCING ACTIVITIES

In the fourth quarter, the Company increased the quarterly dividend from $.125 to $.14 per share. As a result, dividend payments in 1995 increased to $55.4 million from $53.6 million in 1994.

The Company used a portion of the cash flow generated from operations and proceeds from the business dispositions described above to reduce notes

payable and long-term debt by $193.4 million in 1995. Included in the debt reduction is $116.5 million for the early retirement of a portion of the Company's outstanding long-term debt at December 31, 1994. The Company's ratio of debt to total capitalization decreased from 50.7 percent at December 31, 1994 to 45.9 percent at December 31, 1995.

In the fourth quarter of 1995, the Company commenced a stock repurchase program to buy up to 10.8 million shares of the Company's outstanding Common stock. Through December 31, 1995, 2.7 million shares had been repurchased at a total cost of $54.8 million. The shares repurchased in the quarter did not have a material impact on earnings per share in the fourth quarter or full year of 1995. The repurchase program is expected to continue periodically for an unspecified length of time.

Any funding requirements for future capital expenditures and other cash requirements in excess of cash on hand and generated from future operations will be supplemented by the issuance of commercial paper, debt securities and bank borrowings. The Company's commercial paper program is supported by a credit agreement with a consortium of banks which provides revolving credit facilities totaling $400 million. This agreement expires July 27, 2000 and includes covenants for interest coverage and leverage.

Contingencies/Other

In connection with the sale of the European Operations, the terms of the contract provide for a post closing adjustment to the price under which the Company has asserted an additional amount of approximately $15 million is owed by the buyer. The post closing adjustment is in dispute and may ultimately depend on the decision of an independent third party. Also in connection with the sale, the Company has made various warranties to the buyer, including the accuracy of tax net operating losses in the United Kingdom, and has agreed to indemnify the buyer for liability resulting from customer claims under the "free flights" promotions in excess of the reserve balance at the time of sale. There are limitations on the Company's liability in the event the buyer incurs a loss as a result of breach of the warranties. The Company does not expect the resolution of these items to have a material adverse effect on its financial condition.

The Company announced in the fourth quarter of 1995 that it will conduct an in-home inspection program to eliminate a potential problem with a small electrical component in Maytag brand dishwashers. Although the ultimate cost of the repair will not be known until the inspection program is complete, it is not expected to have a material impact on the Company's results. The Company will seek reimbursement from the supplier of the component.

In March 1995, the FASB issued Statement of Financial Accounting Standards No. 121 (FAS 121) "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed of." This pronouncement, which is required to be adopted no later than the first quarter of 1996, establishes accounting standards for the impairment of long-lived assets, certain identifiable intangibles, and goodwill relating to those assets to be held and used and for long-lived assets and certain identifiable intangibles to be disposed of. The Company does not believe adoption of the statement will have a material impact on its financial results.

In October 1995, the FASB issued Statement of Financial Accounting Standards No. 123 (FAS 123) "Accounting for Stock-Based Compensation." The

pronouncement is required to be adopted in fiscal year 1996. The accounting requirements of the statement allow companies to choose between existing rules and the fair value rules in the new statement. The Company has chosen to continue to follow the existing accounting rules under APB opinion No. 25.

In February 1996, the Company announced a streamlining of its major home appliance business designed to strengthen its position in the industry and to deliver improved results to customers and shareowners. This includes the consolidation of two business units into a single business unit which will manage the operations of all its major home appliance brands and the closing of a cooking products plant in Indianapolis, Indiana. The Company will take 1996 charges of $50 million for restructuring costs related to the streamlining. The majority of these costs are anticipated to be recorded as a one-time charge in the first quarter of 1996.

Item 8. Financial Statements and Supplementary Data.

Report of Independent Auditors

Shareowners and Board of Directors
Maytag Corporation

We have audited the accompanying statements of consolidated financial condition of Maytag Corporation and subsidiaries as of December 31, 1995 and 1994, and the related consolidated statements of income (loss), shareowners'

equity and cash flows for each of three years in the period ended December 31, 1995. Our audits also included the financial statement schedule listed in the Index at Item 14(a). These financial statements and related schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and related schedule based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Maytag Corporation and subsidiaries at December 31, 1995 and 1994, and the consolidated results of their operations and their cash flows for each of the three years in the period ended December 31, 1995, in conformity with generally accepted accounting principles. Also, in our opinion, the related financial statement schedule, when considered in relation to the basic financial statement taken as a whole, presents fairly in all material respects the information set forth therein.

Ernst & Young LLP

Chicago, Illinois
January 30, 1996

Statements of Consolidated Income (Loss)

	Year Ended December 31		
In thousands except per share data	1995	1994	1993
Net sales	$ 3,039,524	$ 3,372,515	$ 2,987,054
Cost of sales	2,250,616	2,496,065	2,262,942
Gross profit	788,908	876,450	724,112
Selling, general and administrative expenses	500,674	553,682	515,234
Special charge			50,000
Operating income	288,234	322,768	158,878
Interest expense	(52,087)	(74,077)	(75,364)
Loss on business dispositions	(146,785)	(13,088)	
Settlement of lawsuit	(16,500)		
Loss on guarantee of indebtedness	(18,000)		
Other--net	4,942	5,734	6,356
Income before income taxes, extraordinary item and cumulative effect of accounting change	59,804	241,337	89,870
Income taxes	74,800	90,200	38,600
Income (loss) before extraordinary item and cumulative effect of accounting change	(14,996)	151,137	51,270
Extraordinary item - loss on early retirement of debt	(5,480)		

Cumulative effect of accounting change		(3,190)	
Net income (loss)	$ (20,476)	$ 147,947	$ 51,270
Income (loss) per average share of Common stock:			
Income (loss) before extraordinary item and cumulative effect of accounting change	$ (0.14)	$ 1.42	$ 0.48
Extraordinary item - loss on early retirement of debt	$ (0.05)		
Cumulative effect of accounting change		$ (0.03)	
Net income (loss) per Common share	$ (0.19)	$ 1.39	$ 0.48

See notes to consolidated financial statements.

Statements of Consolidated Financial Condition

In thousands except share data	December 31 1995	1994
Assets		
Current assets		
Cash and cash equivalents	$ 141,214	$ 110,403
Accounts receivable, less allowance-- (1995--$12,540; 1994--$20,037)	417,457	567,531
Inventories	265,119	387,269
Deferred income taxes	42,785	45,589
Other current assets	43,559	19,345
Total current assets	910,134	1,130,137
Noncurrent assets		
Deferred income taxes	91,610	72,394
Pension investments	1,489	112,522
Intangible pension asset	91,291	84,653
Other intangibles, less allowance for amortization--(1995--$65,039; 1994--$56,250)	300,086	310,343
Other noncurrent assets	29,321	44,979
Total noncurrent assets	513,797	624,891
Property, plant and equipment		
Land	24,246	32,600
Buildings and improvements	260,394	284,439
Machinery and equipment	1,030,233	1,109,411
Construction in progress	97,053	30,305
	1,411,926	1,456,755
Less allowance for depreciation	710,791	707,456
Total property, plant and equipment	701,135	749,299
Total assets	$ 2,125,066	$ 2,504,327

In thousands except share data	December 31 1995	1994
Liabilities and Shareowners' Equity		
Current liabilities		
Notes payable	$	$ 45,148
Accounts payable	142,676	212,441
Compensation to employees	61,644	61,311
Accrued liabilities	156,041	146,086
Income taxes payable	3,141	26,037
Current maturities of long-term debt	3,201	43,411
Total current liabilities	366,703	534,434
Noncurrent liabilities		
Deferred income taxes	14,367	38,375
Long-term debt	536,579	663,205
Postretirement benefits other than pensions	428,478	412,832
Pension liability	88,883	59,363
Other noncurrent liabilities	52,705	64,406
Total noncurrent liabilities	1,121,012	1,238,181
Shareowners' equity		
Common stock:		
Authorized--200,000,000 shares (par value $1.25)		
Issued--117,150,593 shares, including shares in treasury	146,438	146,438
Additional paid-in capital	472,602	477,153
Retained earnings	344,346	420,174
Cost of Common stock in treasury (1995--11,745,395 shares; 1994--9,813,893 shares)	(255,663)	(218,745)
Employee stock plans	(57,319)	(60,816)
Minimum pension liability adjustment	(5,656)	
Foreign currency translation	(7,397)	(32,492)
Total shareowners' equity	637,351	731,712
Total liabilities and shareowners' equity	$ 2,125,066	$ 2,504,327

See notes to consolidated financial statements.

<TABLE>
Statements of Consolidated Shareowners' Equity
<CAPTION>

In thousands	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Retained Earnings	Treasury Stock Shares	Treasury Stock Amount	Employee Stock Plans	Pension Liability Adjustment	Foreign Currency Translation
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Balance at December 31, 1992	117,151	$146,438	$478,463	$328,122	(10,546)	$(234,993)	$(65,638)	$	$(53,167)
Net income				51,270					
Cash dividends				(53,569)					
Stock issued under employee stock plans			(911)		92	2,111			
Stock awards:									
Granted			(3,645)		491	10,939	(7,294)		
Earned or canceled			6,136		(550)	(12,403)	9,102		
ESOP:									
Issued			(651)		82	1,836			
Allocated							1,488		
Tax benefit of ESOP dividends and stock options			675						
Translation adjustments									(17,528)
Balance at December 31, 1993	117,151	146,438	480,067	325,823	(10,431)	(232,510)	(62,342)		(70,695)
Net income				147,947					
Cash dividends				(53,596)					
Stock issued under employee stock plans			(1,760)		207	4,635			
Stock awards:									
Granted			(1,045)		243	5,397	(4,352)		
Earned or canceled			413		(65)	(1,457)	4,284		
Conversion of subordinated debentures			(985)		137	3,063			
ESOP:									
Issued			(493)		95	2,127			
Allocated							1,594		
Tax benefit of ESOP dividends and stock options			956						

Translation adjustments related to business disposition									13,089
Translation adjustments									25,114
Balance at December 31, 1994	117,151	146,438	477,153	420,174	(9,814)	(218,745)	(60,816)		(32,492)
Net loss				(20,476)					
Cash dividends				(55,352)					
Stock issued under employee stock plans			(2,301)		339	7,295			
Stock awards:									
Granted			(1,539)		212	4,713	(3,173)		
Earned or canceled			672		(108)	(2,408)	4,949		
Purchase of Common stock for treasury					(2,744)	(54,775)			
Conversion of subordinated debentures			(1,941)		272	6,071			
ESOP:									
Issued			(629)		98	2,186			
Allocated							1,721		
Tax benefit of ESOP dividends and stock									

options			1,187						
Minimum pension liability adjustment								(5,656)	
Translation adjustments related to business disposition									19,887
Translation adjustments									5,208
Balance at December 31, 1995	117,151	$146,438	$472,602	$344,346	(11,745)	($255,663)	($57,319)	($5,656)	($7,397)

</TABLE>

See notes to consolidated financial statements.

Statements of Consolidated Cash Flows

	Year Ended December 31		
In thousands	1995	1994	1993
Operating activities			
Net income (loss)	$ (20,476)	$ 147,947	$ 51,270
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Loss on business dispositions	146,785	13,088	
Cumulative effect of accounting change		3,190	
Depreciation and amortization	111,861	119,358	111,781
Deferred income taxes	(42,036)	(10,058)	(35,833)
Reorganization expenses		(5,000)	(5,000)
"Free flights" promotion expenses		700	60,379
Changes in selected working capital items exclusive of business dispositions:			
Inventories	13,248	24,503	(29,323)
Receivables	60,156	(53,074)	(59,745)
Other current assets	5,548	(2,537)	11,136
Other current liabilities	4,624	43,387	(17,383)
Reorganization reserve	(903)	(26,686)	(39,671)
"Free flights" promotion reserve	(388)	(26,709)	(42,981)
Pension assets and liabilities	17,735	14,089	43,513
Postretirement benefits	15,702	21,197	11,259
Other--net	2,643	5,967	11,913
Net cash provided by operating activities	314,499	269,362	71,315
Investing activities			
Capital expenditures--net	(148,349)	(79,024)	(95,990)
Proceeds from business dispositions (net of cash in businesses sold of $15,783 in 1995 and $2,650 in 1994)	148,497	79,428	
Total investing activities	148	404	(95,990)
Financing activities			
Proceeds from credit agreements and long-term borrowings			5,500
(Decrease) increase in notes payable	(29,808)	(118,134)	138,951
Reduction in long-term debt	(163,609)	(36,001)	(94,449)
Stock repurchases	(54,775)		
Stock options exercised and other Common stock transactions	16,801	12,377	5,903
Dividends	(55,352)	(53,596)	(53,569)
Total financing activities	(286,743)	(195,354)	2,336
Effect of exchange rates on cash	2,907	4,261	(2,963)
Increase (decrease) in cash and cash equivalents	30,811	78,673	(25,302)
Cash and cash equivalents at beginning of year	110,403	31,730	57,032
Cash and cash equivalents at end of year	$ 141,214	$ 110,403	$ 31,730

See notes to consolidated financial statements.

Notes to Consolidated Financial Statements

Summary of Significant Accounting Policies:
Organization: Home Appliances-The Company, through its various business units, manufactures, distributes and services a broad line of home appliances including laundry equipment, dishwashers, refrigerators, cooking appliances, vacuum cleaners and steam carpet cleaners. In the second quarter of 1995, the Company sold its home appliance operations in Europe and in the fourth quarter of 1994, the Company sold its home appliance operations in Australia and New Zealand. The Company markets its home appliances to all major United States and certain international markets, including the replacement market, the commercial laundry market, the new home and apartment builder market, the recreational vehicle market, the private label market and the household/commercial floor care market. Products are primarily sold to dealers, but also sold through independent distributors, mass merchandisers and large regional and national department stores.

Vending Equipment-The Company manufactures, through its Dixie-Narco subsidiary, a variety of bottle and can vending equipment and glass front coolers. The products are sold worldwide primarily to soft drink bottlers and vending equipment distributors.

Principles of Consolidation: The consolidated financial statements include the accounts and transactions of the Company and its wholly-owned subsidiaries. Intercompany accounts and transactions are eliminated in consolidation.

Prior to the quarter ended December 31, 1994, the Company's European subsidiaries were consolidated as of a date one month earlier than subsidiaries in the United States. In the fourth quarter of 1994, this one month reporting lag was eliminated and European results for the quarter ended December 31, 1994 included activity for four months. The effect of this change increased net sales by $25.2 million in the fourth quarter of 1994, and the impact on net income was not significant.

Exchange rate fluctuations from translating the financial statements of subsidiaries located outside the United States into U.S. dollars and exchange gains and losses from designated intercompany foreign currency transactions are recorded in a separate component of shareowners' equity. All other foreign exchange gains and losses are included in income.

Certain previously reported amounts have been reclassified to conform with the current period presentation.

Use of Estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from these estimates.

Cash Equivalents: Highly liquid investments with a maturity of 90 days or less when purchased are considered by the Company to be cash equivalents.

Inventories: Inventories are stated at the lower of cost or market. Inventory costs are determined by the last-in, first-out (LIFO) method for approximately 96 percent and 80 percent of the Company's inventories at December 31, 1995 and 1994. Costs for other inventories have been determined principally by the first-in, first-out (FIFO) method.

Intangibles: Intangibles principally represent goodwill, which is the cost of business acquisitions in excess of the fair value of identifiable net tangible assets of businesses acquired. Goodwill is amortized over 40 years on the straight-line basis and the carrying value is reviewed annually. If this review indicates that goodwill will not be recoverable as determined based on the undiscounted cash flows of the entity acquired over the remaining amortization period, the Company's carrying value of the goodwill will be reduced by the estimated shortfall of cash flows.

Income Taxes: Certain expenses (principally related to accelerated tax depreciation, employee benefits and various other accruals) are recognized in different periods for financial reporting and income tax purposes.

Property, Plant and Equipment: Property, plant and equipment is stated on the basis of cost. Depreciation expense is calculated principally on the straight-line method to amortize the cost of the assets over their estimated useful lives.

Short and Long-Term Debt: The carrying amounts of the Company's borrowings under its short-term revolving credit agreements approximate their fair value. The fair values of the Company's long-term debt are estimated based on quoted market prices of comparable instruments.

Forward Foreign Exchange Contracts: The Company enters into forward foreign exchange contracts to hedge exposures related to foreign currency transactions. Losses on hedges of firm identifiable commitments are recognized in the same period in which the underlying transaction is recorded. Gains and losses on other contracts are marked to market each period and the gains and losses are included in income.

Business Dispositions

In the second quarter of 1995, the Company sold its home appliance operations in Europe for $164.3 million in cash, subject to a post closing adjustment to the price. The pretax loss from the sale was $140.8 million and resulted in an after-tax loss of $135.4 million. In the fourth quarter of 1995, the Company sold the business and assets of a Dixie-Narco manufacturing operation in Eastlake, Ohio. The pretax loss from the sale was $6 million and resulted in an after-tax loss of $3.6 million. In the fourth quarter of 1994, the Company sold its home appliance operations in Australia and New Zealand for $82.1 million in cash. The pretax loss on the sale was $13.1 million and resulted in an after-tax loss of $16.4 million. See industry segment and geographic information for financial information related to these businesses.

Other Expenses

In the third quarter of 1995, the Company recorded a $16.5 million charge to settle a lawsuit relating to the 1991 closing of a former Dixie-Narco plant in Ranson, West Virginia. The after-tax charge was $9.9 million.

The Company is contingently liable under guarantees for indebtedness owed by a third party ("borrower") of $23 million relating to the sale in 1992 of one of the Company's manufacturing facilities. The borrower is presently in default under the terms of the loan agreement. Although the indebtedness is collateralized by the assets of the borrower, the net realizable value of these assets is substantially less than the amount of indebtedness. The borrower also has another outstanding debt of $2.5 million to the Company. In the fourth quarter of 1995, the Company recorded an $18 million charge to establish a reserve for the loan guarantees and other debt. The after-tax charge was $10.8 million.

Inventories

	December 31	
In thousands	1995	1994
Finished products	$ 163,968	$ 254,345
Work in process, raw materials and supplies	101,151	132,924
	$ 265,119	$ 387,269

If the FIFO method of inventory accounting, which approximates current cost, had been used for all inventories, they would have been $82.1 million and $77.1 million higher than reported at December 31, 1995 and 1994.

Pension Benefits

The Company and its subsidiaries have noncontributory defined benefit pension plans covering most employees. Plans covering salaried and management employees generally provide pension benefits that are based on an average of the employee's earnings and credited service. Plans covering hourly employees generally provide benefits of stated amounts for each year of service. The Company's funding policy is to contribute amounts to the plans sufficient to meet minimum funding requirements.

A summary of the components of net periodic pension expense (income) for the defined benefit plans is as follows:

	Year Ended December 31		
In thousands	1995	1994	1993
Service cost--benefits earned during			

the period	$ 20,358	$ 28,550	$ 24,067
Interest cost on projected benefit obligation	80,163	94,148	90,322
Return on plan assets:			
Actual return	(170,847)	559	(167,540)
Expected return (higher) lower than actual	82,427	(117,553)	54,399
Expected return on plan assets	(88,420)	(116,994)	(113,141)
Other net amortization and deferral	6,355	9,474	4,917
Net pension expense	$ 18,456	$ 15,178	$ 6,165

Assumptions used in determining net periodic pension expense (income) for the defined benefit plans in the United States were:

	1995	1994	1993
Discount rates	8.5%	7.5%	8.5%
Rates of compensation increase	6.0%	5.0%	6.0%
Expected long-term rates of return on assets	9.5%	9.5%	9.5%

For the valuation of pension obligations at the end of 1995 set forth in the table below, and for determining pension expense in 1996, the discount rate and rate of compensation increase have been decreased to 7.5 percent and 5.0 percent, respectively. The majority of the increase in the projected benefit obligation between 1994 and 1995 is due to the decrease in the discount rate. Assumptions for defined benefit plans outside the United States are comparable to the above in all periods.

As of December 31, 1995, approximately 96 percent of the plan assets are invested in listed stocks and bonds. The balance is invested in real estate and short term investments.

Certain pension plans in the United States provide that in the event of a change of Company control and plan termination, any excess funding may be used only to provide pension benefits or to fund retirees' health care

benefits. The use of all pension assets for anything other than providing employee benefits is either limited by legal restrictions or subject to severe taxation.

The following table sets forth the funded status and amounts recognized in the statements of consolidated financial condition for the Company's defined benefit pension plans:

	December 31, 1995		December 31, 1994	
In thousands	Plans in Which Assets Exceed Accumulated Benefits	Plans in Which Accumulated Benefits Exceed Assets	Plans in Which Assets Exceed Accumulated Benefits	Plans in Which Accumulated Benefits Exceed Assets
Actuarial present value of benefit obligation:				
Vested benefit obligation	$ (8,096)	$ (721,880)	$ (399,971)	$ (617,011)
Accumulated benefit obligation	$ (8,099)	$ (803,468)	$ (399,975)	$ (683,551)
Projected benefit obligation	$ (8,781)	$ (855,017)	$ (426,485)	$ (745,273)
Plan assets at fair value	9,934	714,818	523,104	625,648
Projected benefit obligation less than (in excess of) plan assets	1,153	(140,199)	96,619	(119,625)
Unrecognized net (gain) loss	5	83,828	(22,002)	91,078
Prior service cost not yet recognized in net periodic pension cost	604	90,670	38,159	85,191
Unrecognized net asset at adoption of FAS 87, net of amortization	(273)	(26,235)	(254)	(31,354)
Net pension asset	$ 1,489	$ 8,064	$ 112,522	$ 25,290
Recognized in the statements of				

consolidated financial condition				
Pension investment (liability)	$ 1,489	$ (88,883)	$ 112,522	$ (59,363)
Intangible pension asset		91,291		84,653
Reduction of shareowners' equity		5,656		
Net pension asset	$ 1,489	$ 8,064	$ 112,522	$ 25,290

Pension investments above of approximately $112 million at December 31, 1994, and pension income of $2.2 million, $1.6 million and $5.5 million in 1995, 1994 and 1993 relate to pension plans covering employees in Europe. These plans were transferred to the buyer in 1995 in connection with the sale of the Company's home appliance operations in Europe.

In 1995 and 1994, the Company recorded $96.9 million and $84.7 million, respectively, to recognize the minimum pension liability required by the

provisions of Financial Accounting Standards Board Statement No. 87 (FAS 87), "Employers' Accounting for Pensions." The transaction, which had no effect on income, was offset by recording an intangible asset of $91.2 million in 1995 and $84.7 million in 1994. The intangible asset represents a future economic benefit arising from the granting of retroactive pension benefits over many years and will be amortized to expense over the remaining average working lifetime of the affected employees. The intangible asset is required to be recognized in accordance with FAS 87 due to an increase in the accumulated benefit obligation resulting from the decrease in the discount rate. In addition, because the intangible asset recognized may not exceed the amount of unrecognized prior service cost and transition obligation on an individual plan basis, the balance in 1995 of $5.7 million, net of income tax benefits is recorded as a separate reduction of shareowners' equity at December 31, 1995.

Postretirement Benefits Other Than Pensions

In addition to providing pension benefits, the Company provides postretirement health care and life insurance benefits for its employees in the United States. Most of the postretirement plans are contributory and contain certain other cost sharing features such as deductibles and coinsurance. The plans are unfunded. Employees do not vest, and these benefits are subject to change. Death benefits for certain retired employees are funded as part of, and paid out of, pension plans.

A summary of the components of net periodic postretirement benefit cost is as follows:

	Year Ended December 31		
In thousands	1995	1994	1993
Service cost	$ 12,876	$ 15,440	$ 10,225
Interest cost	27,911	29,448	26,939
Net amortization and deferral	(8,147)	(5,957)	(8,228)
Net periodic postretirement benefit cost	$ 32,640	$ 38,931	$ 28,936

Assumptions used in determining net periodic postretirement benefit cost were:

	1995	1994	1993
Health care cost trend rates(1):			
Current year	9.0%	13.0%	14.0%
Decreasing gradually to	6.0%	6.0%	6.0%
Until the year	2001	2001	2009
Each year thereafter	6.0%	6.0%	6.0%
Discount rates	8.5%	7.5%	8.5%

(1) Weighted-average annual assumed rate of increase in the per capita cost of covered benefits.

For the valuation of the accumulated benefit obligation at December 31, 1995 and for determining postretirement benefit costs in 1996, the discount rate has been decreased to 7.5 percent.

The health care cost trend rate assumption has a significant impact on the amounts reported. For example, increasing the assumed health care cost trend rates by one percentage point in each year would increase the accumulated postretirement benefit obligation as of December 31, 1995 by $41.8 million and the aggregate of the service and interest cost components of net periodic postretirement benefit cost for 1995 by $5.3 million.

The following table presents the status of the plans reconciled with

amounts recognized in the statements of consolidated financial condition

for the Company's postretirement benefits.

In thousands	December 31 1995	1994
Accumulated postretirement benefit obligation:		
Retirees	$ 259,421	$ 239,593
Fully eligible active plan participants	42,698	37,569
Other active plan participants	92,557	79,524
	394,676	356,686
Unamortized plan amendment	37,235	45,598
Unrecognized net gain(loss)	(3,433)	10,548
Postretirement benefit liability recognized in the statements of consolidated financial condition	$ 428,478	$ 412,832

Employee Stock Ownership Plan and Other Employee Benefits
The Company has established a trust to administer a leveraged employee stock ownership plan (ESOP) within an existing employee savings plan. The Company has guaranteed the debt of the trust and will service the repayment of the debt, including interest, through the Company's employee savings plan contribution and from the quarterly dividends paid on stock held by the ESOP. Dividends paid by the Company on stock held by the ESOP totaled $1.5 million, $1.4 million and $1.4 million in 1995, 1994 and 1993. The ESOP notes are collateralized by the Common stock owned by the ESOP trust. The Company makes annual contributions to the ESOP to the extent the dividends earned on the shares held are less than the debt service requirements. The Company made contributions to the plan of $6.3 million, $5.9 million and $5.5 million for loan payments in 1995, 1994 and 1993. As the debt is repaid, shares are released from collateral and allocated to active employees based on the proportion of debt service paid in the year. Accordingly, the loan outstanding is recorded as debt and the cost of shares pledged as collateral are reported as a reduction of Shareowners' Equity (employee stock plans). As the shares are released from collateral, the Company reports compensation expense based on the historical cost of the shares. The Company also expenses any additional contributions required if the shares released from collateral are less than the shares earned by the employees. All shares held by the ESOP are considered outstanding for earnings per share computations and dividends earned on the shares are recorded as a reduction of retained earnings. Expenses of the ESOP, the majority of which represents interest on the ESOP debt, totaled $8.3 million, $7.4 million and $7.5 million in 1995, 1994 and 1993. The ESOP shares as of December 31 were as follows:

	1995	1994
Released and allocated shares	1,053,087	884,373
Unreleased shares	1,804,056	1,972,770
	2,857,143	2,857,143

In the first quarter of 1994, the Company adopted Financial Accounting Standards Board Statement No. 112 (FAS 112), "Employers' Accounting for Postemployment Benefits." The new rules require recognition of a liability for certain disability and severance benefits to former or inactive employees. The cumulative effect of the accounting change was $3.2 million. The ongoing expenses associated with the adoption of this standard are not significant.

Accrued Liabilities

In thousands	December 31 1995	1994
Warranties	$ 31,035	$ 42,977
Advertising/sales promotion	28,297	27,315
Other	96,709	75,794
	$ 156,041	$ 146,086

Income Taxes
Deferred income taxes reflect the net tax effects of temporary differences

between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes.

Significant components of the Company's deferred tax assets and liabilities are as follows:

In thousands	December 31 1995	1994
Deferred tax assets (liabilities):		
Tax over book depreciation	$ (93,173)	$(107,662)
Postretirement benefit obligation	167,783	160,291
Product warranty/liability accruals	22,473	18,887
Pensions and other employee benefits	11,112	(37,284)
Capital loss carryforward	37,876	
Net operating loss carryforwards	4,456	67,562
Foreign tax credit carryforward		6,277
Other	9,037	(6,664)
	159,564	101,407
Less valuation allowance for deferred tax assets	(40,492)	(21,799)
Net deferred tax assets	$ 119,072	$ 79,608
Recognized in statements of consolidated financial condition:		
Deferred tax assets--current	$ 42,785	$ 45,589
Deferred tax liabilities--current	(956)	
Deferred tax assets--noncurrent	91,610	72,394
Deferred tax liabilities--noncurrent	(14,367)	(38,375)
Net deferred tax assets	$ 119,072	$ 79,608

At December 31, 1995, the Company has available for tax purposes approximately $13 million of net operating loss carryforwards outside the United States which expire in various years through 2005. The Company also has a capital loss carryforward available in the United States of $108 million which expires in the year 2000.

Income (loss) before income taxes, extraordinary item and cumulative effect of accounting change consists of the following:

In thousands	Year Ended December 31 1995	1994	1993
United States	$ 65,041	$ 230,320	$ 162,554
Non-United States	(5,237)	11,017	(72,684)
	$ 59,804	$ 241,337	$ 89,870

Significant components of the provision for income taxes are as follows:

In thousands	Year Ended December 31 1995	1994	1993
Current provision:			
Federal	$ 81,200	$ 78,200	$ 51,700
State	16,400	16,400	9,100
Non-United States	1,100	12,900	20,000
	98,700	107,500	80,800
Deferred provision:			
Federal	(19,900)	(9,400)	400
State	(5,200)	(2,500)	700
Non-United States	1,200	(5,400)	(43,300)
	(23,900)	(17,300)	(42,200)
Provision for income taxes	$ 74,800	$ 90,200	$ 38,600

Significant items impacting the effective income tax rate are as follows:

In thousands	Year Ended December 31 1995	1994	1993
Income before extraordinary item and cumulative effect of accounting change computed at the statutory United States income tax rate	$ 20,900	$ 84,500	$ 31,500
Increase (reduction) resulting from:			
Tax benefit associated with European operating losses and reorganization costs		(20,000)	

Non-United States losses with no tax benefit	400	5,800	
Goodwill amortization	3,200	3,200	3,200
Effect of business disposition	46,000	7,800	
Effect of statutory rate differences outside the United States	900	100	2,500
State income taxes, net of federal tax benefit	7,300	9,000	6,400
Tax credits arising outside the United States	(1,200)	(600)	(800)
Effect of tax rate changes on deferred taxes			(2,500)
Other-net	(2,700)	400	(1,700)
Provision for income taxes	$ 74,800	$ 90,200	$ 38,600

Since the Company plans to continue to finance expansion and operating requirements of subsidiaries outside the United States through reinvestment of the undistributed earnings of these subsidiaries (approximately $21 million at December 31, 1995), taxes which would result from distribution have not been provided on such earnings. If such earnings were distributed, additional taxes payable would be significantly reduced by available tax credits arising from taxes paid outside the United States.

Income taxes paid, net of refunds received, during 1995, 1994 and 1993 were $123 million, $103 million, and $68.3 million, respectively.

Notes Payable

Notes payable at December 31, 1994 consisted of notes payable to banks of $29 million, in addition to $16 million in commercial paper borrowings. The Company's commercial paper program is supported by a credit agreement totaling $400 million which expires on July 27, 2000. Subject to certain exceptions, the credit agreement requires the Company to be within certain

quarterly levels of maximum leverage and minimum interest coverage. At December 31, 1995, the Company was in compliance with all covenants. The weighted average interest rate on all notes payable and commercial paper borrowings was 6.5 percent at December 31, 1994. There were no notes payable and commercial paper borrowings at December 31, 1995.

Long-Term Debt

Long-term debt consisted of the following:

	December 31	
In thousands	1995	1994
Notes payable with interest payable semiannually:		
Due May 15, 2002 at 9.75%	$ 177,425	$ 200,000
Due July 15, 1999 at 8.875%	148,550	175,000
Due July 1, 1997 at 8.875%	53,741	100,000
Medium-term notes, maturing from 2001 to 2010, from 7.69% to 9.03% with interest payable semiannually	101,500	162,750
Employee stock ownership plan notes payable semiannually through July 2, 2004 at 9.35%	55,373	57,504
Other	3,191	11,362
	539,780	706,616
Less current maturities of long-term debt	3,201	43,411
Long-term debt	$ 536,579	$ 663,205

The 9.75 percent notes, the 8.875 percent notes due in 1999 and the medium-term notes grant the holders the right to require the Company to repurchase all or any portion of their notes at 100 percent of the principal amount thereof, together with accrued interest, following the occurrence of both a change in Company control and a credit rating decline.

The fair value of the Company's long-term debt, based on public quotes if available, exceeded the amount recorded in the statements of consolidated financial condition at December 31, 1995 and 1994 by $68.1 million and $17.3 million, respectively.

Interest paid during 1995, 1994 and 1993 was $60.2 million, $75.2 million, and $76.2 million. The aggregate maturities of long-term debt in each of the next five years is as follows (in thousands): 1996-$3,201; 1997-$57,489; 1998-$4,378; 1999-$153,696; 2000-$6,119.

In 1995, the Company retired $116.5 million of long-term debt. Included in this amount was $22.6 million of the 9.75 percent notes due May 15, 2002, $26.4 million of the 8.875 percent notes due July 15, 1999, $46.3 million of the 8.875 percent notes due July 1, 1997 and $21.2 million of

medium term notes ranging in maturities from November 15, 2001 to February 23, 2010. As a result of these early retirements, the Company recorded an after-tax charge of $5.5 million (net of income tax benefit of $3.6 million), which has been reflected in the consolidated statement of income (loss) as an extraordinary item.

Forward Foreign Exchange Contracts

The Company has entered into contracts to hedge its exposure to fluctuations in foreign currency exchange rates. These contracts usually consist of forward rate agreements and options, which give the Company the right but not the obligation to convert foreign currency to U.S. dollars at a pre-determined rate. Counterparties to these agreements are major international financial institutions.

The Company uses these instruments to hedge exposures resulting from certain monetary assets and liabilities as well as firm commitments and certain anticipated foreign exchange transactions resulting from the export

and import of products and supplies. The purpose of the Company's foreign currency hedging activities is to protect the Company from the risk that the eventual cash flows resulting from these transactions could be adversely affected by changes in exchange rates.

At December 31, 1995 the Company had forward exchange contracts for the exchange of Canadian dollars, all having maturities of less than twelve months, in the amount of U.S. $57.9 million. The Company also had option contracts, with maturities of less than twelve months, to exchange Canadian dollars to U.S. dollars in the amount U.S. $9.5 million. Gains and losses recognized from these contracts in 1995 were not significant.

Leases

The Company leases buildings, machinery, equipment and automobiles under operating leases. Rental expense for operating leases amounted to $20.6 million, $24.4 million, and $22.8 million for 1995, 1994 and 1993.

Minimum lease payments under leases expiring subsequent to December 31, 1995 are:

Year Ending In thousands	
1996	$ 14,441
1997	8,625
1998	6,249
1999	5,293
2000	4,100
Thereafter	8,745
Total minimum lease payments	$ 47,453

Stock Options

In 1992, the shareowners approved the 1992 stock option plan for executives and key employees. The plan provides that options could be granted to key employees for not more than 3.6 million shares of the Common stock of the Company. The option price under the plan is the fair market value at the date of the grant. Options may not be exercised until one year after the date granted. In the event of a change of Company control, all options become immediately exercisable.

Under the Company's 1986 plan which expired in 1991, options to purchase 1.6 million shares of Common stock were granted at the market value at the date of grant. Some options were also granted under this plan with stock appreciation rights (SAR) which entitle the employee to surrender the right to receive up to one-half of the shares covered by the option and to receive a cash payment equal to the difference between the option price and the market value of the shares being surrendered.

In April 1990, the Company's shareowners approved the Maytag Corporation 1989 Stock Option Plan for Non-Employee Directors which authorizes the issuance of up to 250,000 shares of Common stock to the Company's non-employee directors. Options under this plan are immediately exercisable upon grant.

Option shares outstanding under all of the plans described above total 4.0 million at December 31, 1995. The following is a summary of certain information relating to these plans:

	Average Price	Option Shares	SAR
Outstanding December 31, 1992	$15.09	2,013,137	587,949
Granted	15.92	599,060	
Exercised	12.89	(101,156)	(5,360)
Exchanged for SAR	12.53	(5,360)	
Canceled or expired	16.26	(147,080)	(85,728)
Outstanding December 31, 1993	15.33	2,358,601	496,861
Granted	15.78	650,216	
Exercised	13.66	(211,689)	(6,610)
Exchanged for SAR	12.40	(6,610)	
Canceled or expired	15.40	(78,765)	(77,828)
Outstanding December 31, 1994	15.53	2,711,753	412,423
Granted	17.62	1,745,420	
Exercised	14.88	(352,320)	(8,905)
Exchanged for SAR	14.21	(8,905)	
Canceled or expired	16.20	(130,650)	(68,845)
Outstanding December 31, 1995	16.47	3,965,298	334,673

Options for 2,236,868 shares, 2,082,747 shares and 1,777,361 shares were exercisable at December 31, 1995, 1994 and 1993. There were 507,334 shares available for future grants at December 31, 1995. In the event of a change in Company control, all stock options granted become immediately exercisable.

Stock Awards

In 1991, the shareowners approved the 1991 Stock Incentive Award Plan For Key Executives. This plan authorizes the issuance of up to 2.5 million shares of Common stock to certain key employees of the Company, of which 1,700,250 shares are available for future grants as of December 31, 1995. Under the terms of the plan, the granted stock vests three years after the award date and is contingent upon pre-established performance objectives. In the event of a change of Company control, all incentive stock awards become fully vested. No incentive stock awards may be granted under this plan on or after May 1, 1996.

Incentive stock awards outstanding at December 31, 1995 and amounts charged to expense for the anticipated payout are:

In thousands except per share data

		Charged to Expense		
Year of Grant	Grant Shares Outstanding	1995	1994	1993
1995	182,470	$ 1,819	$	$
1994	174,327	2,273	2,005	
1993	383,248	5,285	4,122	3,651
	740,045	$ 9,377	$ 6,127	$ 3,651

Shareowners' Equity

The Company has 24 million authorized shares of Preferred stock, par value $1 per share, none of which is issued.

Pursuant to a Shareholder Rights Plan approved by the Company in 1988, each share of Common stock carries with it one Right. Until exercisable, the Rights will not be transferable apart from the Company's Common stock. When exercisable, each Right will entitle its holder to purchase one one-hundredth of a share of Preferred stock of the Company at a price of $75. The Rights will only become exercisable if a person or group acquires 20 percent (which may be reduced to not less than 10 percent at the discretion of the Board of Directors) or more of the Company's Common stock. In the

event the Company is acquired in a merger or 50 percent or more of its consolidated assets or earnings power are sold, each Right entitles the holder to purchase Common stock of either the surviving or acquired company at one-half its market price. The Rights may be redeemed in whole by the Company at a purchase price of $.01 per Right. The Preferred shares will be entitled to 100 times the aggregate per share dividend payable on the Company's Common stock and to 100 votes on all matters submitted to a vote of shareowners. The Rights expire May 2, 1998.

Industry Segment and Geographic Information

Principal financial data by industry segment is as follows:

In thousands	1995	1994	1993
Net sales			
Home appliances	$2,844,811	$3,180,766	$2,830,457
Vending equipment	194,713	191,749	156,597
Total	$3,039,524	$3,372,515	$2,987,054
Income before income taxes, extraordinary item and cumulative effect of accounting change			
Home appliances	$ 295,806	$ 334,027	$ 163,177
Vending equipment	23,466	21,866	17,944
General corporate	(31,038)	(33,125)	(22,243)
Operating income	288,234	322,768	158,878
Interest expense	(52,087)	(74,077)	(75,364)
Other (see statements of consolidated income/loss)	(176,343)	(7,354)	6,356
Total	$ 59,804	$ 241,337	$ 89,870
Capital expenditures-net			
Home appliances	$ 140,549	$ 75,017	$ 92,194
Vending equipment	3,998	1,902	1,028
General corporate	3,802	2,105	2,768
Total	$ 148,349	$ 79,024	$ 95,990
Depreciation and amortization			
Home appliances	$ 105,271	$ 113,160	$ 105,916
Vending equipment	4,307	4,434	4,377
General corporate	2,283	1,764	1,488
Total	$ 111,861	$ 119,358	$ 111,781
Identifiable assets			
Home appliances	$1,593,538	$2,053,175	$2,147,174
Vending equipment	94,299	98,109	103,765
General corporate	437,229	353,043	218,559
Total	$2,125,066	$2,504,327	$2,469,498

Information about the Company's operations in different geographic locations is as follows:

In thousands	1995	1994	1993
Net sales			
North America	$ 2,858,347	$ 2,831,583	$ 2,468,374
Europe	181,177	398,966	390,761
Australia and New Zealand		141,966	127,919
Total	$ 3,039,524	$ 3,372,515	$ 2,987,054
Income before income taxes, extraordinary item and cumulative effect of accounting change			
North America	$ 326,451	$ 342,887	$ 251,328
Europe	(7,179)	420	(73,581)
Australia and New Zealand		12,586	3,374
General corporate	(31,038)	(33,125)	(22,243)
Operating income	288,234	322,768	158,878
Interest expense	(52,087)	(74,077)	(75,364)
Other (see statements of consolidated income/loss)	(176,343)	(7,354)	6,356
Total	$ 59,804	$ 241,337	$ 89,870
Identifiable assets			
North America	$ 1,687,837	$ 1,768,629	$ 1,794,271
Europe		382,655	359,323
Australia and New Zealand			97,345
General corporate	437,229	353,043	218,559

Total	$ 2,125,066	$ 2,504,327	$ 2,469,498

Sales between affiliates of different geographic regions are not significant. The amount of exchange gain or loss included in operations in any of the years presented was not significant.

In June 1995, the Company sold its home appliance operations in Europe and in December 1994, the Company sold its home appliance operations in Australia and New Zealand.

The general Corporate asset category includes items such as cash, deferred tax assets, pension investments and other assets.

Prior to the quarter ended December 31, 1994, the Company's European subsidiaries were consolidated as of a date one month earlier than subsidiaries in the United States. In the fourth quarter of 1994, this one month reporting lag was eliminated and European results for the quarter ended December 31, 1994 include activity for four months. The effect of this change increased net sales by $25.2 million in the fourth quarter and the impact on income before income taxes and cumulative effect of accounting change was not significant.

In 1993 the Company incurred $60.4 million in pretax charges for two "free flights" promotion programs in Europe ($50 million in a special charge and $10.4 million in selling, general and administrative expenses).

Supplementary Expense Information

	Year Ended December 31		
In thousands	1995	1994	1993
Advertising costs	$ 134,411	$ 153,233	$ 136,452
Research and development expenses	47,013	45,926	42,717

The Company expenses the production costs of advertising as incurred.

Contingencies and Disclosure of Certain Risks and Uncertainties

In connection with the sale of the Company's home appliance operations in Europe, the terms of the contract provide for a post closing adjustment to the price under which the company has asserted an additional amount of approximately $15 million is owed by the buyer. The post closing adjustment is in dispute and may ultimately depend on the decision of an independent third party. Also in connection with the sale, the Company has made various warranties to the buyer, including the accuracy of tax net operating losses in the United Kingdom, and has agreed to indemnify the buyer for liability resulting from customer claims under the "free flights" promotions in excess of the reserve balance at the time of sale. There are limitations on the Company's liability in the event the buyer incurs a loss as a result of breach of the warranties. The Company does not expect the resolution of these items to have a material adverse effect on its financial condition.

The Company recently announced that it will conduct an in-home inspection program to eliminate a potential problem with a small electrical component in Maytag brand dishwashers. Although the ultimate cost of the repair will not be known until the inspection program is complete, it is not expected to have a material impact on the Company's results. The Company will seek reimbursement from the supplier of the component.

Approximately $43 million of receivables were sold to a third party during 1995 with full or partial recourse. The outstanding balance on such receivables at December 31, 1995 was $28 million of which the Company has a contingent liability of $20 million should all of the receivables become uncollectible.

In connection with several major manufacturing projects, the Company has outstanding commitments for capital expenditures of $60 million at December 31, 1995.

Other contingent liabilities arising in the normal course of business, including guarantees, repurchase agreements, pending litigation, environmental issues, taxes and other claims are not considered to be significant in relation to the Company's consolidated financial position.

Quarterly Results of Operations (Unaudited)

The following is a summary of unaudited quarterly results of operations for the years ended December 31, 1995 and 1994.

In thousands except per share data	December 31	September 30	June 30	March 31
1995				
Net sales	$ 689,541	$ 726,371	$ 803,479	$ 820,133
Gross profit	179,721	187,630	200,333	221,224

Income (loss) before extraordinary item	16,616	30,003	(101,146)	39,531
Per average share	0.16	0.28	(0.95)	0.37
Net income (loss)	16,616	27,946	(104,569)	39,531
Per average share	$ 0.16	$ 0.26	$ (0.98)	$ 0.37
1994				
Net sales	$ 862,635	$ 848,930	$ 870,385	$ 790,565
Gross profit	211,774	230,570	229,616	204,490
Income before cumulative effect of accounting change	17,967	61,030	41,141	30,999
Per average share	0.17	0.57	0.39	0.29
Net income	17,967	61,030	41,141	27,809
Per average share	$ 0.17	$ 0.57	$ 0.39	$ 0.26

In the second quarter of 1995, the Company sold its home appliance

operations in Europe. In the fourth quarter of 1994, the Company sold its home appliance operations in Australia and New Zealand. See Industry Segment and Geographic Information for financial information related to these businesses.

The quarter ended June 30, 1995 includes a $135.4 million after-tax loss on the sale of the Company's home appliance operations in Europe. The quarter ended September 30, 1995 includes a $9.9 million after-tax charge to settle a lawsuit relating to the closing of the former Dixie-Narco plant in Ranson, West Virginia. The quarter ended December 31, 1995 includes a $10.8 million after-tax loss on guarantee of indebtedness relating to the sale of one of its manufacturing facilities in 1992 and a $3.6 million after-tax loss on the disposal of its Dixie-Narco manufacturing operations in Eastlake, Ohio.

The quarter ended September 30, 1994 includes a $20 million one-time tax benefit associated with the funding of reorganization costs in Europe over the past several years. The quarter ended December 31, 1994 includes a $16.4 million after-tax loss from the sale of the Company's home appliance operations in Australia.

Prior to the quarter ended December 31, 1994, the Company's European subsidiaries were consolidated as of a date one month earlier than subsidiaries in the United States. In the fourth quarter of 1994, this one month reporting lag was eliminated and European results for the quarter ended December 31, 1994 include activity for four months. The effect of this change increased net sales by $25.2 million in the fourth quarter and the impact on gross profit and net income was not significant.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

None

PART III

Item 10. Directors and Executive Officers of the Registrant.

Information concerning directors and officers on pages 1 through 8 of the Proxy Statement of the Company is incorporated herein by reference. Additional information concerning executive officers of the Company is included under "Executive Officers of the Registrant" included in Part I, Item 4.

Item 11. Executive Compensation.

Information concerning executive compensation on pages 13 through 23 of the Proxy Statement, is incorporated herein by reference; provided that the information contained in the Proxy Statement under the heading "Compensation Committee Report on Executive Compensation" is specifically not incorporated herein by reference. Information concerning director compensation on pages 23 and 24 of the Proxy Statement is incorporated herein by reference, provided that the information contained in the Proxy Statement under the headings "Shareholder Return Performance" and "Other Matters" is specifically not incorporated herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management.

The security ownership of certain beneficial owners and management is incorporated herein by reference from pages 6 through 8 of the Proxy Statement.

Item 13. Certain Relationships and Related Transactions.

Information concerning certain relationships and related transactions is incorporated herein by reference from pages 2 through 5 of the Proxy Statement.

PART IV

Item 14. Exhibits, Financial Statement Schedules, and Reports on Form 8-K.

(a)(1) and (2) The response to this portion of Item 14 is submitted as a separate section of this report in the "List of Financial Statements and Financial Statement Schedules" on page 41.

(3) The response to this portion of Item 14 is submitted as a separate section of this report in the "List of Exhibits" on pages 42 through 45.

(b) A report on Form 8-K was filed during the fourth quarter of 1995 disclosing that the Company entered into a letter of intent to sell the business and assets of its Dixie-Narco, Inc., manufacturing operation in Eastlake, Ohio.

(c) Exhibits--The response to this portion of Item 14 is submitted as a separate section of this report in the "List of Exhibits" on pages 42 through 45.

(d) Financial Statement Schedules--The response to this portion of Item 14 is submitted as a separate section of this report in the "List of Financial Statements and Financial Statement Schedules" on page 41.

SIGNATURES

Pursuant to the requirements of Section 13 or 15 (d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

MAYTAG CORPORATION
(Registrant)

s/s LEONARD A. HADLEY
Leonard A. Hadley
Chairman and Chief Executive Officer
Director

Pursuant to the requirement of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the date indicated.

s/s GERALD J. PRIBANIC Gerald J. Pribanic Executive Vice President and Chief Financial Officer	s/s NEELE E. STEARNS Neele E. Stearns, Jr. Director
s/s STEVEN H. WOOD Steven H. Wood Vice President Financial Reporting and Auditing and Chief Accounting Officer	s/s HOWARD L. CLARK Jr. Howard L. Clark, Jr. Director
s/s EDWARD C. CAZIER Edward C. Cazier, Jr. Director	s/s FRED G. STEINGRABER Fred G. Steingraber Director
s/s CAROLE J. UHRICH Carole J. Uhrich Director	s/s BARBARA ALLEN Barbara R. Allen Director
s/s P. S. WILLMOTT Peter S. Willmott Director	s/s BERNARD G. RETHORE Bernard G. Rethore Director

Date: March 22, 1996

ANNUAL REPORT ON FORM 10-K

Item 14(a)(1), (2) and (3), (c) and (d)

LIST OF FINANCIAL STATEMENTS AND FINANCIAL STATEMENT SCHEDULES

LIST OF EXHIBITS

FINANCIAL STATEMENT SCHEDULES

Year Ended December 31, 1995

MAYTAG CORPORATION
NEWTON, IOWA

FORM 10-K--ITEM 14(a)(1), (2) AND ITEM 14(d)

MAYTAG CORPORATION

LIST OF FINANCIAL STATEMENTS AND FINANCIAL STATEMENT SCHEDULES

The following consolidated financial statements and supplementary data of Maytag Corporation and subsidiaries are included in Part II, Item 8:

Page

The following consolidated financial statement schedule of Maytag Corporation and subsidiaries is included in Item 14(d):

All other schedules for which provision is made in the applicable accounting regulations of the Securities and Exchange Commission are not required under the related instructions or are inapplicable and therefore have been omitted.

FORM 10-K--ITEM 14(a) (3) AND ITEM 14(c)

MAYTAG CORPORATION

LIST OF EXHIBITS

The following exhibits are filed herewith or incorporated by reference. Items indicated by (1) are considered a compensatory plan or arrangement required to be filed pursuant to Item 14 of Form 10-K.

Exhibit Number	Description of Document	Incorporated Herein by Reference to	Filed with Electronic Submission
3(a)	Restated Certificate of Incorporation of Registrant.	1993 Annual Report on Form 10-K	
3(b)	Certificate of Designations of Series A Junior Participating Preferred Stock of Registrant.	1988 Annual Report on Form 10-K.	
3(c)	Certificate of Increase of Authorized Number of Shares of Series A Junior Participating Preferred Stock of Registrant.	1988 Annual Report on Form 10-K.	
3(d)	By-Laws of Registrant, as amended through February 7, 1991.	1993 Annual Report on Form 10-K	
4(a)	Rights Agreement dated as of May 2, 1988 between Registrant and The First National Bank of Boston.	Current Report on Form 8-K dated May 5, 1988, Exhibit 1.	
4(b)	Amendment, dated as of September 24, 1990 to the Rights Agreement, dated as of May 2, 1988 between the Registrant and The First National Bank of Boston.	Current Report on Form 8-K dated October 3,	

		1990, Exhibit 1.	
4(c)	Indenture dated as of June 15, 1987 between Registrant and The First National Bank of Chicago.	Quarterly Report on Form 10-Q for the quarter ended June 30, 1987.	

Exhibit Number	Description of Document	Incorporated Herein by Reference to	Filed with Electronic Submission
4(d)	First Supplemental Indenture dated as of September 1, 1989 between Registrant and The First National Bank of Chicago.	Current Report on Form 8-K dated September 28, 1989, Exhibit 4.3.	
4(e)	Second Supplemental Indenture dated as of November 15, 1990 between Registrant and The First National Bank of Chicago.	Current Report on Form 8-K dated November 29, 1990.	
4(f)	U.S. $300,000,000 Credit Agreement Dated as of July 14, 1994 among Registrant, the banks Party Hereto and Bank of Montreal, Chicago Branch as Agent and Royal Bank of Canada as Co-Agent. (Superseded by $400,000,000 Agreement of July 28, 1995.)	1994 Annual Report on Form 10-K	
4(g)	U.S. $400,000,000 Credit Agreement Dated as of July 28, 1995 among Registrant, the banks Party Hereto and Bank of Montreal, Chicago Branch as Agent and Royal Bank of Canada as Co-Agent.		X
4(h)	Copies of instruments defining the rights of holders of long-term debt not required to be filed herewith or incorporated herein by reference will be furnished to the Commission upon request.		
10(a)	Annual Management Incentive Plan, as amended through December 21, 1990 (1).	1990 Annual Report on Form 10-K	
10(b)	Executive Severance Agreements (1).		X
10(c)	Corporate Severance Agreements (1).	1989 Annual Report on Form 10-K.	
10(d)	Revised definition of Change of Control adopted by the Board of Directors amending the definition included in the Executive Severance Agreement listed in Exhibits 10(b) and 10(c).		X
10(e)	Severance Agreement with Jerry Schiller, former Chief Financial Officer of Maytag Corporation (1).	1993 Annual Report on Form 10-K	

Exhibit Number	Description of Document	Incorporated Herein by Reference to	Filed with Electronic Submission
10(f)	Severance Agreement with Joseph Fogliano, former Executive Vice President and President North American Appliance Group (1).		X
10(g)	1989 Non-Employee Directors Stock Option Plan (1).	Exhibit A to Registrant's Proxy Statement dated March 18, 1990.	
10(h)	1986 Stock Option Plan for Executives and Key Employees (1).	Exhibit A to Registrant's Proxy Statement dated March 14, 1986.	
10(i)	1992 Stock Option Plan for Executives and Key Employees (1).	Exhibit A to Registrant's Proxy Statement dated March 16, 1992.	
10(j)	1991 Stock Incentive Award Plan for Key Executives (1).	Exhibit A to Registrant's Proxy Statement dated March 15, 1991.	
10(k)	Directors Deferred Compensation Plan (1).	Amendment No. 1 on Form 8 dated April 5, 1990 to 1989 Annual Report on Form 10-K.	
10(l)	1988 Capital Accumulation Plan for Key Employees (1). (Superseded by Deferred Compensation Plan, as amended and restated effective January 1, 1996)	Amendment No. 1 on Form 8 dated April 5, 1990 to 1989 Annual Report on Form 10-K.	

Exhibit Number	Description of Document	Incorporated Herein by Reference to	Filed with Electronic Submission
10(m)	Maytag Deferred Compensation Plan, as amended and restated effective January 1, 1996.		X
10(n)	Directors Retirement Plan (1).	Amendment No. 1 on	

			Form 8 dated April 5, 1990 to 1989 Annual Report on Form 10-K.
11	Computation of Per Share Earnings.		X
12	Ratio of Earnings to Fixed Charges.		X
21	List of Subsidiaries of the Registrant.		X
23	Consent of Ernst & Young LLP.		X
27	Financial Data Schedule		X

<TABLE>

SCHEDULE II--VALUATION AND QUALIFYING ACCOUNTS
Maytag Corporation
Thousands of Dollars

<CAPTION>

COL. A	COL. B	COL. C ADDITIONS		COL. D		COL. E
DESCRIPTION	Balance at Beginning of Period	Charged to Costs and Expenses	Charged to Other Accounts--Describe	Deductions--Describe		Balance at End of Period
<S>	<C>	<C>		<C>	<S>	<C>
Year ended December 31, 1995:						
Allowance for doubtful accounts receivable	$20,037	$ 16,630		$19,387	<F1>	$12,540
				(183)	<F2>	
				4,923	<F3>	
	$20,037	$ 16,630		$24,127		$12,540
Year ended December 31, 1994:						
Allowance for doubtful accounts receivable	$15,629	$ 12,412		$ 2,703	<F3>	$20,037
				5,852	<F1>	
				(551)	<F2>	
	$15,629	$ 12,412		$ 8,004		$20,037

Year ended December 31, 1993:					
Allowance for doubtful accounts receivable	$16,380	$ 6,678	$ 7,054 <F1>		$15,629
			375 <F2>		
	$16,380	$ 6,678	$ 7,429		$15,629

<FN>

Note <F1> - Uncollectible accounts written off
Note <F2> - Effect of foreign currency translation
Note <F3> - Resulting from divestiture of the Company's European Operations and Australian Operations in June 1995 and December 1994, respectively.

</TABLE>

MAYTAG CORPORATION

Exhibit 4(g)

U.S. $400,000,000 Credit Agreement Dated as of July 28, 1995 Among Registrant, the banks Party Hereto and Bank of Montreal, Chicago Branch as Agent and Royal Bank of Canada as Co-agent.

==========

U.S. $400,000,000

CREDIT AGREEMENT

Dated as of

July 28, 1995

Among

MAYTAG CORPORATION,

THE BANKS PARTY HERETO,

AND

BANK OF MONTREAL, CHICAGO BRANCH
as Agent

AND

ROYAL BANK OF CANADA
as Co-Agent

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CREDIT AGREEMENT

To each of the Banks signatory hereto

Ladies and Gentlemen:

The undersigned, Maytag Corporation, a Delaware corporation (the "BORROWER"), applies to you for your several commitments, subject to all the terms and conditions hereof and on the basis of the representations and warranties hereinafter set forth, to make available a revolving credit as more fully hereinafter set forth. Each of you is hereinafter referred to individually as a "BANK" and all of you are hereinafter referred to collectively as the "BANKS". Bank of Montreal, acting through its Chicago Branch, in its capacity as agent for the Banks hereunder, and any successor thereto pursuant to Section 11.8 hereof, is hereinafter referred to as the "AGENT" and Royal Bank of Canada in its capacity as co-agent hereunder is hereinafter referred to as the "CO-AGENT".

SECTION 1. THE COMMITTED FACILITY.

SECTION 1.1. THE COMMITMENTS. Subject to the terms and conditions hereof, each Bank, by its acceptance hereof, severally agrees to make a loan or loans (individually a "LOAN" and collectively "LOANS") to the Borrower from time to time in U.S. Dollars or Alternative Currencies on a revolving basis in an aggregate outstanding Original Dollar Amount up to the amount of its commitment to make Loans set forth on the applicable signature page hereof or pursuant to Section 12.12 hereof (its "COMMITMENT" and cumulatively for all the Banks the "COMMITMENTS") (subject to any reductions thereof pursuant to the terms hereof) prior to the Termination Date. At no time shall the aggregate Original Dollar Amount of all outstanding Loans exceed the Commitments then in effect, which Commitments on the date hereof total U.S. $400,000,000. Each Borrowing of Loans shall be advanced ratably from the Banks in proportion to their respective Unused Commitments. Subject to Section 1.4 hereof, the Borrower may elect that each Borrowing of Loans be advanced or maintained as Domestic Rate Loans or Eurocurrency Loans, which Loans may be repaid and the principal amount thereof reborrowed prior to the Termination Date, subject to all reductions in the Commitments and all other terms and conditions hereof.

SECTION 1.2. APPLICABLE INTEREST RATES.

(a) DOMESTIC RATE LOANS. Each Domestic Rate Loan made or maintained by a Bank shall bear interest during each Interest Period that it constitutes a Domestic Rate Loan (computed on the basis of a year of 365 or 366 days, as the

case may be, and actual days elapsed) on the unpaid principal amount thereof from the date such Loan is advanced, continued or created by conversion from a Eurocurrency Loan until maturity (whether by acceleration or otherwise) at a rate per annum equal to the Domestic Rate from time to time in effect, payable on the last day of the applicable Interest Period and at maturity (whether by acceleration or otherwise).

"DOMESTIC RATE" means for any day the greater of:

(i) the rate of interest announced by the Agent from time to time as its prime commercial rate, or equivalent, for U.S. Dollar loans to borrowers located in the United States, with any change in the Domestic Rate resulting from a change in said prime commercial rate to be effective as of the date of the relevant change in said prime commercial rate; and

(ii) the sum of (x) the rate per annum (rounded upward, if necessary, to the nearest 1/100th of 1%) equal to the weighted average of the rates on overnight Federal funds transactions with member banks of the Federal Reserve System arranged by Federal funds brokers on such day, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day, PROVIDED THAT (i) if such day is not a Business Day, the rate for such day shall be such rate on such transactions on the immediately preceding Business Day as so published on the next succeeding Business Day, and (ii) if no such rate is so published on any such next succeeding Business Day, the rate for such day shall be the average of the rates quoted to the Agent by two or more New York or Chicago Federal funds brokers on such day for such transactions as determined by the Agent, PLUS (y) 3/8 of 1% (0.375%).

(b) EUROCURRENCY LOANS. Each Eurocurrency Loan made or maintained by a Bank shall bear interest during each Interest Period that it constitutes a Eurocurrency Loan (computed on the basis of a year of 360 days and actual days elapsed) on the unpaid principal amount thereof from the date such Loan is advanced, continued or created by conversion from a Domestic Rate Loan until maturity (whether by acceleration or otherwise) at a rate per annum equal to the sum of the applicable Eurocurrency Margin plus the Adjusted LIBOR applicable to such Loan, payable on the last day of the applicable Interest Period and at maturity (whether by acceleration or otherwise), and, if the applicable Interest Period is longer than three months, on each day occurring every three months after the date such Loan is made.

"ADJUSTED LIBOR" means, for any Borrowing of Eurocurrency Loans, a rate per annum determined in accordance with the following formula:

$$\text{Adjusted LIBOR} = \frac{\text{LIBOR}}{100\% - \text{Eurocurrency Reserve Percentage}}$$

"LIBOR" means, with respect to an Interest Period for a Borrowing of Eurocurrency Loans, the average of the respective rates of interest per annum,

as determined by the Agent (rounded upwards, if necessary, to the nearest whole multiple of 1/16 of 1%), at which deposits of U.S. Dollars or the relevant Alternative Currency, as applicable, in immediately available and freely transferable funds are offered to each of the Reference Banks at 11:00 a.m. (London time) two Business Days prior to the commencement of such Interest Period by major banks in the eurocurrency interbank market upon request by each such Reference Bank for a period equal to such Interest Period and in an amount equal to the principal amount of the Eurocurrency Loan scheduled to be advanced,

continued or created by conversion from a Domestic Rate Loan by such Reference Bank as part of such Borrowing.

"EUROCURRENCY RESERVE PERCENTAGE" means, for any Borrowing of Eurocurrency Loans, the daily average for the applicable Interest Period of the maximum rate at which reserves (including, without limitation, any supplemental, marginal and emergency reserves) are imposed during such Interest Period by the Board of Governors of the Federal Reserve System (or any successor) on "EUROCURRENCY LIABILITIES", as defined in such Board's Regulation D (or in respect of any other category of liabilities that includes deposits by reference to which the interest rate on Eurocurrency Loans is determined or any category of extension of credit or other assets that include loans by non-United States offices of any Bank to United States residents) subject to any amendments of such reserve requirement by such Board or its successor, taking into account any transitional adjustments thereto. For purposes of this definition, the Eurocurrency Loans shall be deemed to be "EUROCURRENCY LIABILITIES" as defined in Regulation D without benefit or credit for any prorations, exemptions or offsets under Regulation D.

"EUROCURRENCY MARGIN" means for each Eurocurrency Loan: (i) 0.170% per annum for any day Level I Status exists, (ii) 0.180% per annum for any day Level II Status exists, (iii) 0.185% per annum for any day Level III Status exists, (iv) 0.2625% per annum for any day Level IV Status exists and (v) 0.500% per annum for any day Level V Status exists.

(c) RATE QUOTATIONS. Each Reference Bank agrees to use its best efforts to furnish quotations to the Agent as contemplated by this Section. If any Reference Bank does not furnish a timely quotation, the Agent shall determine the relevant interest rate on the basis of the quotation or quotations furnished by the remaining Reference Bank or, if no such quotation is provided on a timely

basis, the provisions of Section 10.2 shall apply.

(d) RATE DETERMINATIONS. The Agent shall determine each interest rate applicable to the Loans hereunder and the Original Dollar Amount of each Loan hereunder, and its determination thereof shall be conclusive and binding except in the case of manifest error or willful misconduct. The Original Dollar Amount of each Eurocurrency Loan shall be determined or redetermined, as applicable, effective as of the first day of each Interest Period applicable to such Loan.

SECTION 1.3. MINIMUM BORROWING AMOUNTS. Each Borrowing of Loans at any time outstanding shall be in an amount not less than an Original Dollar Amount of U.S. $10,000,000.

SECTION 1.4. MANNER OF BORROWING LOANS AND DESIGNATING INTEREST RATES APPLICABLE TO LOANS.

(a) NOTICE TO THE AGENT. The Borrower shall give notice to the Agent by no later than 9:00 a.m. (Chicago time) (i) at least three (3) Business Days before the date on which the Borrower requests the Banks to advance a Borrowing of Eurocurrency Loans and (ii) on the date the Borrower requests the Banks to advance a Borrowing of Domestic Rate Loans. The Loans included in each

Borrowing shall bear interest initially at the type of rate specified in such notice of a new Borrowing. Thereafter, the Borrower may from time to time elect to change or continue the type of interest rate borne by each Borrowing or, subject to Section 1.3's minimum amount requirement for each outstanding Borrowing, a portion thereof, as follows: (i) if such Borrowing is of Eurocurrency Loans, on the last day of the Interest Period applicable thereto, the Borrower may continue part or all of such Borrowing as Eurocurrency Loans for an Interest Period or Interest Periods specified by the Borrower or, if such Eurocurrency Loan is denominated in U.S. Dollars, convert part or all of such Borrowing into Domestic Rate Loans, (ii) if such Borrowing is of Domestic Rate Loans, on any Business Day, the Borrower may convert all or part of such Borrowing into Eurocurrency Loans denominated in U.S. Dollars for an Interest Period or Interest Periods specified by the Borrower. The Borrower shall give all such notices requesting the advance, continuation, or conversion of a Borrowing to the Agent by telephone or telecopy (which notice shall be irrevocable once given and, if by telephone, shall be promptly confirmed in writing). Notices of the continuation of a Borrowing of Eurocurrency Loans for an additional Interest Period or of the conversion of part or all of a Borrowing

of Eurocurrency Loans denominated in U.S. Dollars into Domestic Rate Loans or of Domestic Rate Loans into Eurocurrency Loans denominated in U.S. Dollars must be given by no later than 9:00 a.m. (Chicago time) at least three (3) Business Days before the date of the requested continuation or conversion. All such notices concerning the advance, continuation, or conversion of a Borrowing shall specify the date of the requested advance, continuation or conversion of a Borrowing (which shall be a Business Day), the amount of the requested Borrowing to be advanced, continued, or converted, the type of Loans to comprise such new, continued or converted Borrowing and, if such Borrowing is to be comprised of Eurocurrency Loans, the currency and Interest Period applicable thereto. The Borrower agrees that the Agent may rely on any such telephonic or telecopy notice given by any person it in good faith believes is an Authorized Representative without the necessity of independent investigation, and in the event any such notice by telephone conflicts with any written confirmation, such telephonic notice shall govern if the Agent has acted in reliance thereon.

(b) NOTICE TO THE BANKS. The Agent shall give prompt telephonic or telecopy notice to each of the Banks of any notice from the Borrower received pursuant to Section 1.4(a) above. The Agent shall give notice to the Borrower and each Bank by like means of the interest rate applicable to each Borrowing of Eurocurrency Loans and, if such Borrowing is denominated in an Alternative Currency, shall give notice by such means to the Borrower and each Bank of the Original Dollar Amount thereof.

(c) BORROWER'S FAILURE TO NOTIFY. Any outstanding Borrowing of Domestic Rate Loans shall, subject to Section 7.2 hereof, automatically be continued for an additional Interest Period on the last day of its then current Interest Period unless the Borrower has notified the Agent within the period required by Section 1.4(a) that it intends to convert such Borrowing into a Borrowing of Eurocurrency Loans or notifies the Agent within the period required by Section 2.3(a) that it intends to prepay such Borrowing. In the event the Borrower fails to give notice pursuant to Section 1.4(a) above of the continuation or conversion of any outstanding principal amount of a Borrowing of Eurocurrency

Loans denominated in U.S. Dollars before the last day of its then current Interest Period within the period required by Section 1.4(a) and has not notified the Agent within the period required by Section 2.3(a) that it intends to prepay such Borrowing, such Borrowing shall automatically be converted into a Borrowing of Domestic Rate Loans, subject to Section 7.2 hereof. In the event the Borrower fails to give notice pursuant to Section 1.4(a) above of the

continuation of any outstanding principal amount of a Borrowing of Eurocurrency Loans denominated in an Alternative Currency before the last day of its then current Interest Period within the period required by Section 1.4(a) and has not notified the Agent within the period required by Section 2.3(a) that it intends to prepay such Borrowing, such Borrowing shall automatically be continued as a Borrowing of Eurocurrency Loans in the same Alternative Currency with an Interest Period of one month, subject to Section 7.2 hereof, including the restrictions contained in the definition of Interest Period.

(d) DISBURSEMENT OF LOANS. Not later than 11:00 a.m. (Chicago time) on the date of any requested advance of a new Borrowing of Eurocurrency Loans, and not later than 12:00 noon (Chicago time) on the date of any requested advance of a new Borrowing of Domestic Rate Loans, subject to Section 7 hereof, each Bank shall make available its Loan comprising part of such Borrowing in funds immediately available at the principal office of the Agent in Chicago, Illinois, except that if such Borrowing is denominated in an Alternative Currency each Bank shall make available its Loan comprising part of such Borrowing at such office as the Agent has previously notified to each Bank, in such funds the customary for the settlement of international transactions in such currency and no later than such local time as is necessary for such funds to be received and transferred to the Borrower for same day value on the date of the Borrowing. The Agent shall make available to the Borrower Loans denominated in U.S. Dollars at the Agent s principal office in Chicago, Illinois and Loans denominated in Alternative Currencies at such office as the Agent has previously notified the Borrower, in each case in the type of funds received by the Agent from the Banks. Outstanding Borrowings of Loans that are continued for an additional Interest Period or converted into Loans of a different type, as permitted by Section 1.4(a), are maintained by each Bank in the same principal amount as originally advanced.

SECTION 2. GENERAL PROVISIONS APPLICABLE TO LOANS; REDUCTION OF COMMITMENTS.

SECTION 2.1. INTEREST PERIODS. As provided in Section 1.4 hereof, at the time of each request to advance, continue, or create through conversion a Borrowing of Eurocurrency Loans, the Borrower shall select an Interest Period applicable to such Loans from among the available options. The term "INTEREST PERIOD" means the period commencing on the date a Borrowing is made, continued, or created through conversion and ending: (a) in the case of Domestic Rate Loans, on the last day of the calendar quarter in which such Borrowing is advanced, continued, or created by conversion (I.E., the first to occur thereafter of March 31, June 30, September 30, and December 31); and (b) in the case of Eurocurrency Loans 1, 2, 3, 6, or, if available from all the Banks, 9 months thereafter, as the Borrower may select; PROVIDED, HOWEVER, that:

(a) any Interest Period for a Borrowing of Domestic Rate Loans commencing less than 90 days before the Termination Date shall end on the Termination Date;

(b) with respect to any Borrowing of Eurocurrency Loans, the Borrower may not select an Interest Period that extends beyond the Termination Date;

(c) whenever the last day of any Interest Period would otherwise be a day that is not a Business Day, the last day of such Interest Period shall be extended to the next succeeding Business Day, provided that, if such extension would cause the last day of an Interest Period for a Borrowing of Eurocurrency Loans to occur in the following calendar month, the last day of such Interest Period shall be the immediately preceding Business Day; and

(d) for purposes of determining an Interest Period for a Borrowing of Eurocurrency Loans, a month means a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month; PROVIDED, HOWEVER, that if there is no numerically corresponding day in the month in which such an Interest Period is to end or if such an Interest Period begins on the last Business Day of a calendar month, then such Interest Period shall end on the last Business Day of the calendar month in which such Interest Period is to end.

SECTION 2.2. MATURITY OF LOANS. Each Loan shall mature and become due and payable by the Borrower on the Termination Date.

SECTION 2.3. PREPAYMENTS.

(a) LOANS. The Borrower shall have the privilege of prepaying without premium or penalty and in whole or in part (but, if in part, then: (i) if such Borrowing is denominated in U.S. Dollars, in an amount not less than U.S. $10,000,000 and in integral multiples of U.S. $1,000,000, (ii) if such Borrowing is denominated in an Alternative Currency, an amount for which the U.S. Dollar Equivalent is not less than U.S. $10,000,000 and (iii) in an amount such that the minimum amount required for a Borrowing pursuant to Section 1.3 hereof remains outstanding) any Borrowing of Loans at any time upon three Business Days', in the case of Eurocurrency Loans, or one Business Day's, in the case of Domestic Rate Loans, prior notice to the Agent (which shall advise each Bank thereof promptly thereafter), such prepayment to be made by the payment of the principal amount to be prepaid and accrued interest thereon to the date fixed for prepayment and, in the case of Eurocurrency Loans, any compensation required by Section 2.7 hereof.

(b) REBORROWINGS. Any amount paid or prepaid before the Termination Date

may, subject to the terms and conditions of this Agreement, be borrowed, repaid and borrowed again.

SECTION 2.4. DEFAULT RATE. If any payment of principal on any Loan is not made when due (whether by acceleration or otherwise), such Loan shall bear interest (computed on the basis of a year of 360 days and actual days elapsed) from the date such payment was due until paid in full, payable on demand, at a rate per annum equal to:

(a) with respect to any Domestic Rate Loan, the sum of two percent (2%) plus the Domestic Rate from time to time in effect; and

(b) with respect to any Eurocurrency Loan, the sum of two percent (2%) plus the rate of interest in effect thereon at the time of such default until the end of the Interest Period applicable thereto and, thereafter, if such Loan is denominated in U.S. Dollars, at a rate per annum equal to the sum of two percent (2%) plus the Domestic Rate from time to time in effect or, if such Loan is denominated in an Alternative Currency, at a rate per annum equal to the sum of the Eurocurrency Margin, plus two (2%) plus the rate of interest per annum as determined by the Agent (rounded upwards, if necessary, to the nearest whole multiple of one-sixteenth of one percent (1/16%) at which overnight or weekend deposits of the appropriate currency (or, if such amount due remains unpaid more than three Business Days, then for such other period of time not longer than six months as the Agent may elect in its absolute discretion) for delivery in immediately available and freely transferable funds would be offered by the Agent to major banks in the interbank market upon request of such major banks for the applicable period as determined above and in an amount comparable to the unpaid principal amount of any such Eurocurrency Loan (or, if the Agent is not placing deposits in such currency in the interbank market, then the Agent's cost of funds in such currency for such period).

SECTION 2.5. THE NOTES. (a) Each Loan made to the Borrower by a Bank shall be evidenced by a single promissory note of the Borrower issued to such Bank in the form of Exhibit A hereto. Each such promissory note is hereinafter referred

to as a "NOTE" and collectively such promissory notes are referred to as the "NOTES".

(b) Each Bank shall record on its books and records or on a schedule to its Note the amount of each Loan advanced, continued, or converted by it, all payments of principal and interest and the principal balance from time to time outstanding thereon, the type of such Loan, and, in respect of any Eurocurrency Loan, the Interest Period, the currency in which such Loan is denominated, and the interest rate applicable thereto; PROVIDED THAT prior to the transfer of any Note all such amounts shall be recorded on a schedule to such Note. The record thereof, whether shown on such books and records of a Bank or on a schedule to any Note, shall be PRIMA FACIE evidence as to all such matters; PROVIDED, HOWEVER, that the failure of any Bank to record any of the foregoing or any error in any such record shall not limit or otherwise affect the obligation of the Borrower to repay all Loans made to it hereunder together with accrued interest thereon. At the request of any Bank and upon such Bank tendering to the Borrower the Note to be replaced, the Borrower shall furnish a new Note to such Bank to replace any outstanding Note, and at such time the first notation

appearing on a schedule on the reverse side of, or attached to, such Note shall set forth the aggregate unpaid principal amount of all Loans, if any, then outstanding thereon.

SECTION 2.6. COMMITMENT TERMINATIONS. The Borrower shall have the right at any time and from time to time, upon five (5) Business Days prior written notice to the Agent, to terminate the Commitments, in whole or in part, without premium or penalty, any partial termination to be in an amount not less than U.S. $10,000,000 or any larger amount that is an integral multiple of U.S. $1,000,000, and to reduce ratably the Commitments of the Banks; PROVIDED THAT the Commitments may not be reduced to an amount less than the Original Dollar Amount of Loans then outstanding. Any termination of Commitments pursuant to this Section 2.6 may not be reinstated.

SECTION 2.7. FUNDING INDEMNITY. In the event any Bank shall incur any loss, cost or expense (including, without limitation, any loss of profit, and any loss, cost or expense incurred by reason of the liquidation or re-employment of deposits or other funds acquired by such Bank to fund or maintain any Eurocurrency Loan or the relending or reinvesting of such deposits or amounts paid or prepaid to such Bank) as a result of:

(a) any payment, prepayment or conversion of a Eurocurrency Loan on a date other than the last day of its Interest Period,

(b) any failure (because of a failure to meet the conditions of Section 7 or otherwise) by the Borrower to borrow or continue a Eurocurrency Loan, or to convert a Domestic Rate Loan into a Eurocurrency Loan, on the date specified in a notice given pursuant to Section 1.4 hereof,

(c) any failure by the Borrower to make any payment of principal on any Eurocurrency Loan when due (whether by acceleration or otherwise), or

(d) any acceleration of the maturity of a Eurocurrency Loan as a result of the occurrence of any Event of Default hereunder,

then, upon the demand of such Bank, the Borrower shall pay to such Bank such amount as will reimburse such Bank for such loss, cost or expense. If any Bank makes such a claim for compensation, it shall provide to the Borrower, with a copy to the Agent, a certificate executed by an officer of such Bank setting forth the amount of such loss, cost or expense in reasonable detail (including an explanation of the basis for and the computation of such loss, cost or expense) and the amounts shown on such certificate if reasonably calculated shall be conclusive.

SECTION 3. FEES.

SECTION 3.1. FACILITY FEE. The Borrower shall pay to the Agent for the ratable account of the Banks, based on their Commitments, a facility fee (computed on the basis of a year of 365 or 366 days, as the case may be, and the actual number of days elapsed) on the average daily amount of the Commitments hereunder (whether used or unused) at a rate of (i) 0.085% per annum for each

day Level I Status exists, (ii) 0.100% per annum for each day Level II Status exists, (iii) 0.120% per annum for each day Level III Status exists, (iv) 0.1875% per annum for each day Level IV Status exists, and (v) 0.300% per annum for each day Level V Status exists. Such fee shall be payable in arrears on the last day of each calendar quarter, commencing September 30, 1995, and on the Termination Date, unless the Commitments are terminated in whole on an earlier date, in which event the facility fees for the period to the date of such termination in whole shall be paid on the date of such termination. If any Bank fails to fund a Loan at a time when, pursuant to Section 7 hereof, it is

obligated to fund such Loan, it shall not accrue a facility fee hereunder until it cures such default by funding such Loan. The Borrower shall not be obligated to pay such Bank's portion of the facility fee otherwise payable under this Section 3.1 if it notifies the Agent of such Bank's default and of the amount of the facility fee thereby not earned by such defaulting Bank. If the Agent receives any payment of the facility fee hereunder from which an amount has been so deducted as provided above, the Agent shall be entitled to not remit to any Bank identified by the Borrower as such a defaulting Bank its PRO RATA share of the portion of the facility fee not earned by such Bank as notified by the Borrower as provided above.

SECTION 3.2. USAGE FEE. For each day that the outstanding principal amount of the Loans exceeds 50% of the Commitments then in effect, the Borrower shall pay to the Agent for the ratable benefit of the Banks, based on their outstanding Loans, a fee equal to 1/10th of 1% (0.10%) per annum of the principal amount of all Loans outstanding on each such day, payable in arrears on the last day of each calendar quarter.

SECTION 3.3. AGENT FEES. The Borrower shall pay to the Agent the fees agreed to between the Agent and the Borrower.

SECTION 4. PLACE AND APPLICATION OF PAYMENTS.

SECTION 4.1. PLACE AND APPLICATION OF PAYMENTS. All payments of principal of and interest on the Loans and all payments of facility fees and all other amounts payable under this Agreement shall be made to the Agent by no later than 12:00 noon (Chicago time) at the principal office of the Agent in Chicago, Illinois (or such other location in the State of Illinois as the Agent may designate to the Borrower) or, if such payment is to be made in an Alternative Currency, no later than 12:00 noon local time at the place of payment to such office as the Agent has previously notified the Borrower for the benefit of the Person or Persons entitled thereto. Any payments received after such time shall be deemed to have been received by the Agent on the next Business Day. All such payments shall be made (i) in lawful money of the United States of America, in immediately available funds at the place of payment, or (ii) in the case of amounts payable hereunder in an Alternative Currency, in such Alternative Currency in such funds then customary for the settlement of international transactions in such currency, in each case without setoff or counterclaim. The Agent will promptly thereafter cause to be distributed like funds relating to the payment of principal or interest on Loans or fees ratably to the Banks and like funds relating to the payment of any other amount payable to any Bank to such Bank, in each case to be applied in accordance with the terms of this Agreement.

SECTION 5. DEFINITIONS; INTERPRETATION.

SECTION 5.1. DEFINITIONS. The following terms when used herein have the following meanings:

"ADJUSTED LIBOR" is defined in Section 1.2(b) hereof.

"AGENT" means Bank of Montreal, acting through its Chicago Branch, and any successor pursuant to Section 11.8 hereof.

"ALTERNATIVE CURRENCY" means Pounds Sterling, Deutsche Marks, French Francs, Australian Dollars, Canadian Dollars, Italian Lire and any other currency requested by the Borrower as an "ALTERNATIVE CURRENCY" hereunder which is available to each Bank as confirmed by the Agent to the Borrower after consultation with the Banks.

"AUTHORIZED OFFICER" means each Authorized Representative and in any case shall include the Chief Financial Officer, Treasurer, and any Assistant Treasurer, or, in each case, any other officer performing comparable duties however designated.

"AUTHORIZED REPRESENTATIVE" means any of John P. Cunningham, Jr., Executive Vice President and Chief Financial Officer, David D. Urbani, Vice President and Treasurer, and Mark S. Ayers, Assistant Treasurer, as shown on the list of officers provided by the Borrower pursuant to Section 7.1(c) hereof, or any other person shown on any updated list provided by the Borrower to the Agent, or any further or different officer(s) or employee(s) of the Borrower so named by any Authorized Representative of the Borrower in a written notice to the Agent.

"BANK" means each bank signatory hereto or that becomes a Bank hereunder pursuant to Section 12.12 hereof.

"BORROWER" means Maytag Corporation, a Delaware corporation.

"BORROWING" means the total of Loans of a single type advanced, continued for an additional Interest Period, or converted from a different type into such type by one or more Banks on a single date and for a single Interest Period. Borrowings of Loans are advanced ratably from each of the Banks according to their Unused Commitments and are continued or converted in the same amounts as originally advanced. A Borrowing is "ADVANCED" on the day Banks advance funds comprising such Borrowing to the Borrower, is "CONTINUED" on the date a new Interest Period for the same type of Loans commences for such Borrowing, and is "CONVERTED" when such Borrowing is changed from one type of Loans to the other, all as requested by the Borrower pursuant to Section 1.4(a).

"BUSINESS DAY" means any day other than a Saturday or Sunday on which Banks are not authorized or required to close in Chicago, Illinois or New York, New York and, if the applicable Business Day relates to the advance, continuation, conversion of or into, or payment of a Eurocurrency Loan, on which banks are

dealing in U.S. Dollar deposits or the relevant Alternative Currency in the

interbank market in London, England and, if the applicable Business Day relates to the borrowing or payment of a Eurocurrency Loan denominated in an Alternative Currency, on which banks and foreign exchange markets are open for business in the city where disbursements of or payments on such Loans are to be made.

"CAPITAL LEASE" means at any date any lease of Property which in accordance with GAAP at the time in effect would be required to be capitalized on the balance sheet of the lessee.

"CAPITAL LEASE OBLIGATIONS" of a Person means the amount of the obligations of such Person under Capital Leases which would be shown as a liability on a balance sheet of such Person prepared in accordance with GAAP.

"CHANGE OF CONTROL" is defined in Section 9.1(h) hereof.

"CO-AGENT" means Royal Bank of Canada.

"CODE" means the Internal Revenue Code of 1986, as amended.

"COMMITMENT" is defined in Section 1.1 hereof.

"CONSOLIDATED INCOME BEFORE INTEREST AND TAXES" means, for any fiscal quarter, determined on a consolidated basis for the Borrower and its Subsidiaries in accordance with GAAP, (i) earnings (not including any gains or losses from discontinued operations) before income taxes for such fiscal quarter, PLUS (ii) Consolidated Interest Expense for such fiscal quarter.

"CONSOLIDATED INDEBTEDNESS" means all Indebtedness of the Borrower and its Subsidiaries of the types described in clauses (i), (ii), (iii), and (v) of the definition of "INDEBTEDNESS", determined (without duplication) on a consolidated basis in accordance with GAAP.

"CONSOLIDATED INTEREST EXPENSE" means, for any fiscal quarter of the Borrower and its Subsidiaries, an amount equal to interest expense on Consolidated Indebtedness, as determined in accordance with GAAP.

"CONSOLIDATED NET INCOME" means, for any period, the consolidated net

income of the Borrower and Consolidated Subsidiaries for such period determined in accordance with GAAP.

"CONSOLIDATED NET WORTH" means the aggregate amount of the Borrower's and its Subsidiaries' shareholders equity as determined from the consolidated balance sheet of the Borrower and its Subsidiaries prepared in accordance with GAAP; PROVIDED, HOWEVER, that Consolidated Net Worth shall not be increased or reduced on account of foreign currency translations.

"CONSOLIDATED SUBSIDIARY" means any Subsidiary or other entity whose accounts are required to be consolidated with those of the Borrower in accordance with GAAP.

"CONTROLLED GROUP" has the same meaning as in Section 414(b) of the Code.

"DEFAULT" means any event or condition the occurrence of which would, with the passage of time or the giving of notice, or both, constitute an Event of Default.

"DOMESTIC RATE" is defined in Section 1.2(a) hereof.

"DOMESTIC RATE LOAN" means a Loan denominated in U.S. Dollars bearing interest before maturity at the rate specified in Section 1.2(a) hereof.

"ERISA" is defined in Section 6.12 hereof.

"EUROCURRENCY LOAN" means a Loan bearing interest before maturity at the rate specified in Section 1.2(b) hereof.

"EUROCURRENCY MARGIN" is defined in Section 1.2(b) hereof.

"EUROCURRENCY RESERVE PERCENTAGE" is defined in Section 1.2(b) hereof.

"EVENT OF DEFAULT" means any of the events or circumstances specified in

Section 9.1 hereof.

"EXISTING CREDIT AGREEMENT" is defined in Section 12.18 hereof.

"GAAP" means generally accepted accounting principles, from time to time in effect, consistently applied.

"GUARANTY" of a Person means any agreement by which such Person assumes, guarantees, endorses, contingently agrees to purchase or provide funds for the payment of, or otherwise becomes liable upon, the obligation of any other Person, or agrees to maintain the net worth or working capital or other financial condition of any other Person or otherwise assures any creditor of such other Person against loss, including, without limitation, any comfort letter, operating agreement, take-or-pay contract or letter of credit.

"INDEBTEDNESS" means for any Person all (i) obligations of such Person for borrowed money, (ii) obligations of such Person representing the deferred purchase price of property or services other than accounts payable for property or other accrued expenses for services, in each case arising in the ordinary course of business on terms customary in the trade, (iii) obligations of such Person evidenced by notes, acceptances, or other instruments of such Person, (iv) obligations, whether or not assumed, secured by Liens on, or payable out of the proceeds or production from, Property now or hereafter owned or acquired by such Person, (v) Capital Lease Obligations of such Person and (vi) obligations for which such Person is obligated pursuant to a Guaranty.

"INTEREST PERIOD" is defined in Section 2.1 hereof.

"LENDING OFFICE" is defined in Section 10.4 hereof.

"LEVEL I STATUS" means the S&P Rating is at least A+ or higher OR the Moody's Rating is at least A1 or higher.

"LEVEL II STATUS" means Level I Status does not exist, but the S&P Rating is at least A- or higher OR the Moody's Rating is at least A3 or higher.

"LEVEL III STATUS" means neither Level I Status nor Level II Status exists, but the S&P Rating is at least BBB+ or higher OR the Moody's Rating is at least Baa1 or higher.

"LEVEL IV STATUS" means none of Level I Status, Level II Status, and Level III Status exists, but the S&P Rating is at least BBB- or higher OR the Moody's Rating is at least Baa3 or higher.

"LEVEL V STATUS" means none of Level I Status, Level II Status, Level III Status, and Level IV Status exists.

"LIBOR" is defined in Section 1.2(b) hereof.

"LIEN" means any interest in Property securing an obligation owed to, or a claim by, a Person other than the owner of the Property, whether such interest is based on the common law, statute or contract, including, but not limited to, the security interest lien arising from a mortgage, encumbrance, pledge, conditional sale, security agreement or trust receipt, or a lease, consignment or bailment for security purposes. The term "LIEN" shall also include reservations, exceptions, encroachments, easements, rights of way, covenants, conditions, restrictions, leases and other title exceptions and encumbrances affecting Property. For the purposes of this definition, a Person shall be deemed to be the owner of any Property which it has acquired or holds subject to a conditional sale agreement, Capital Lease or other arrangement pursuant to which title to the Property has been retained by or vested in some other Person for security purposes, and such retention of title shall constitute a "LIEN."

"LOAN" is defined in Section 1.1 hereof and the term "TYPE" of Loan refers to its status as a Domestic Rate Loan or Eurocurrency Loan.

"MARGIN STOCK" means "MARGIN STOCK" as defined in Regulation U of the Board of Governors of the Federal Reserve System.

"MATERIAL PLAN is defined in Section 9.1(f) hereof.

"MATERIAL SUBSIDIARY" means any Subsidiary of the Borrower except a Subsidiary that (i) is incorporated outside the United States, and (ii) has neither (a) assets with a book value in excess of U.S. $5,000,000 nor (b) annual revenues for the most recently completed calendar year in excess of U.S. $5,000,000.

"MOODY'S RATING" means the rating assigned by Moody's Investors Service,

Inc. to the outstanding senior unsecured non-credit enhanced long-term indebtedness of the Borrower. Any reference in this Agreement to any specific rating is a reference to such rating as currently defined by Moody's Investors Service, Inc. and shall be deemed to refer to the equivalent rating if such rating system changes.

"NOTE" is defined in Section 2.5(a) hereof.

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

"PBGC" is defined in Section 6.12 hereof.

"PERMITTED SECURITIZATIONS" means sales at no less than fair market value of accounts receivable owed to the Borrower or any Subsidiary.

"PERSON" means an individual, partnership, corporation, association, trust, unincorporated organization or any other entity or organization, including a government or agency or political subdivision thereof.

"PLAN" means with respect to the Borrower and each Subsidiary at any time an employee pension benefit plan which is covered by Title IV of ERISA or subject to the minimum funding standards under Section 412 of the Code and either (i) is maintained by a member of the Controlled Group for employees of a member of the Controlled Group of which the Borrower or such Subsidiary is a part, (ii) is maintained pursuant to a collective bargaining agreement or any other arrangement under which more than one employer makes contributions and to which a member of the Controlled Group of which the Borrower or such Subsidiary is a part is then making or accruing an obligation to make contributions or has within the preceding five plan years made contributions, or (iii) under which a member of the Controlled Group of which the Borrower or such Subsidiary is a part has any liability, including any liability by reason of having been a substantial employer within the meaning of Section 4063 of ERISA at any time during the preceding five years or by reason of being deemed a contributing sponsor under Section 4069 of ERISA.

"PROPERTY" means any interest in any kind of property or asset, whether real, personal or mixed, or tangible or intangible, whether now owned or hereafter acquired.

"REFERENCE BANKS" means Bank of Montreal and Royal Bank of Canada.

"REQUIRED BANKS" means as of the date of determination thereof, Banks holding at least 66-2/3% of the Commitments or, in the event that no Commitments are outstanding hereunder, Banks holding at least 66-2/3% in aggregate principal amount of the Loans outstanding hereunder.

"SECURITY" has the same meaning as in Section 2(l) of the Securities Act of 1933, as amended.

"SEC" means the Securities and Exchange Commission.

"SET-OFF" is defined in Section 12.7 hereof.

"S&P RATING" means the rating assigned by Standard & Poor's Ratings Services Group, a division of The McGraw-Hill Companies, Inc. to the outstanding senior unsecured non-credit enhanced long-term indebtedness of the Borrower. Any reference in this Agreement to any specific rating is a reference to such rating as currently defined by Standard & Poor's Ratings Group, a division of The McGraw-Hill Companies, Inc. and shall be deemed to refer to the equivalent rating if such rating system changes.

"SUBSIDIARY" means any corporation or other entity of which more than fifty percent (50%) of the outstanding Voting Stock, in the case of a corporation, or comparable equity interests having ordinary voting power for the election of the governing body of such non-corporate entity is at the time directly or indirectly owned by the Borrower, by one or more of its Subsidiaries, or by the Borrower and one or more of its Subsidiaries.

"TERMINATION DATE" means July 27, 2000.

"UNFUNDED VESTED LIABILITIES" means, with respect to any Plan at any time, the amount (if any) by which (i) the present value of all vested nonforfeitable accrued benefits under such Plan exceeds (ii) the fair market value of all Plan assets allocable to such benefits, all determined as of the then most recent ongoing actuarial valuation date for such Plan.

"UNUSED COMMITMENT" means as to each Bank, the difference between such Bank's Commitment and the Original Dollar Amount of all outstanding Loans of such Bank.

"U.S. DOLLARS" and the sign "U.S.$" means the lawful currency of the United States of America.

"U.S. DOLLAR EQUIVALENT" means the amount of U.S. Dollars which would be realized by converting an Alternative Currency into U.S. Dollars in the spot market at the exchange rate quoted by the Agent, at approximately 11:00 a.m.

(London time) two Business Days prior to the date on which a computation thereof is required to be made, to major banks in the interbank foreign exchange market for the purchase of U.S. Dollars for such Alternative Currency.

"U.S. TAXES" is defined in Section 12.1(c) hereof.

"VOTING STOCK" of any Person means capital stock of any class or classes (however designated) having ordinary voting power for the election of directors of such Person, other than stock having such power only by reason of the happening of a contingency.

"WELFARE PLAN" means a "WELFARE PLAN," as said term is defined in Section 3(1) of ERISA.

"WHOLLY-OWNED" when used in connection with any Subsidiary of the Borrower means a Subsidiary of which all of the issued and outstanding shares of stock (other than directors qualifying shares as required by law) are owned by the Borrower and/or one or more of its Wholly-Owned Subsidiaries.

SECTION 5.2. INTERPRETATION. The foregoing definitions shall be equally applicable to both the singular and plural forms of the terms defined. All references to times of day herein shall be references to Chicago, Illinois time unless otherwise specifically provided. Where the character or amount of any asset or liability or item of income or expense is required to be determined or any consolidation or other accounting computation is required to be made for the purposes of this Agreement, the same shall be done in accordance with GAAP, to the extent applicable, except where such principles are inconsistent with the specific provisions of this Agreement.

SECTION 6. REPRESENTATIONS AND WARRANTIES.

The Borrower represents and warrants to the Banks as follows:

SECTION 6.1. ORGANIZATION AND QUALIFICATION. The Borrower is duly organized and validly existing in good standing under the laws of the State of Delaware, has full and adequate corporate power to carry on its business as now conducted, is duly licensed or qualified and in good standing in each jurisdiction in which the nature of the business transacted by it or the nature of the Property owned or leased by it makes such licensing or qualification

necessary, except where the failure to be so licensed or qualified and in good standing would not have a material adverse effect on the financial condition or Property, business or operations of the Borrower and the Consolidated Subsidiaries taken as a whole.

SECTION 6.2. SUBSIDIARIES. As of the date hereof, the only Subsidiaries of the Borrower are designated in Exhibit B hereto; each Subsidiary is a corporation duly organized and validly existing in good standing under the laws of the jurisdiction in which it was incorporated, has full and adequate corporate power to carry on its business as now conducted, and is duly licensed or qualified and in good standing in each jurisdiction in which the nature of the business transacted by it or the nature of the Property owned or leased by it makes such licensing or qualification necessary, except where the failure to be so licensed or qualified and in good standing would not have a material adverse effect on the financial condition or Property, business or operations of the Borrower and the Consolidated Subsidiaries taken as a whole. Exhibit B hereto, as from time to time updated pursuant to Section 8.5(e), correctly sets forth, as to each Subsidiary required to be listed thereon, whether or not it is a Consolidated Subsidiary, the jurisdiction of its incorporation, the percentage of issued and outstanding shares of each class of its capital stock owned by the Borrower and the Subsidiaries and, if such percentage is not 100% (excluding directors' qualifying shares as required by law or nominal ownership by other shareholders required by local law for a non-U.S. Subsidiary), a description of each class of its authorized capital stock and the number of shares of each

class issued and outstanding. All of the issued and outstanding shares of capital stock of each Subsidiary are validly issued and outstanding and fully paid and nonassessable and all such shares indicated in Exhibit B as owned by the Borrower or a Subsidiary are owned, beneficially and of record, by the Borrower or such Subsidiary, free of any Lien.

SECTION 6.3. CORPORATE AUTHORITY AND VALIDITY OF OBLIGATIONS. The Borrower has full right and authority to enter into this Agreement, to make the borrowings herein provided for, to issue its Notes in evidence thereof and to perform all of its obligations hereunder and under the Notes; this Agreement and each Note delivered by the Borrower have been duly authorized, executed and delivered by the Borrower and constitute valid and binding obligations of the Borrower enforceable in accordance with their terms, except insofar as enforceability may be limited by bankruptcy, insolvency or other similar laws relating to or affecting the enforcement of creditors rights generally and by general principles of equity (regardless of whether such enforceability is

considered in a proceeding in equity or at law), and this Agreement and the Notes do not, nor does the performance or observance by the Borrower or any Subsidiary of any of the matters or things therein provided for, contravene any provision of law or any charter or by-law provision of the Borrower or any Subsidiary or any material covenant, indenture or agreement of or affecting the Borrower or any Subsidiary or a substantial portion of their respective Properties.

SECTION 6.4. NOT AN INVESTMENT COMPANY. The Borrower is not an "investment company" within the meaning of the Investment Company Act of 1940, as amended.

SECTION 6.5. MARGIN STOCK. Neither the Borrower nor any of its Subsidiaries is engaged principally, or as one of its primary activities, in the business of extending credit for the purpose of purchasing or carrying Margin Stock, and neither the Borrower nor any of its Subsidiaries will use the proceeds of any Loan in a manner that violates any provision of Regulation U, G or X of the Board of Governors of the Federal Reserve System.

SECTION 6.6. FINANCIAL REPORTS. The consolidated statement of financial condition of the Borrower and the Consolidated Subsidiaries as at December 31, 1994 and the related statements of consolidated income and consolidated cash flows of the Borrower and the Consolidated Subsidiaries the year then ended and accompanying notes thereto, which financial statements are accompanied by the report of Ernst & Young, independent public accountants, and the unaudited condensed statement of consolidated financial condition of the Borrower and the Consolidated Subsidiaries as at June 30, 1995 and the related condensed statements of consolidated income and consolidated cash flows of the Borrower and the Consolidated Subsidiaries for the three months then ended and accompanying notes, heretofore furnished to the Banks, fairly present the consolidated financial conditions of the Borrower and the Consolidated Subsidiaries as at such dates and the consolidated results of their operations and their consolidated cash flows for the periods then ended in conformity with GAAP.

SECTION 6.7. NO MATERIAL ADVERSE CHANGE. From June 30, 1995 to the date of this Agreement, there has been no material adverse change in the condition, financial or otherwise, or business prospects of the Borrower and the Consolidated Subsidiaries taken as a whole.

SECTION 6.8. LITIGATION. There is no litigation or governmental proceeding pending, nor to the knowledge of the Borrower threatened, against the Borrower or any Consolidated Subsidiary which if adversely determined would (a) in any material way impair the validity or enforceability of, or materially impair the ability of the Borrower to perform its obligations under, this Agreement or the Notes or (b) other than as previously disclosed in writing to the Banks, result in any material adverse change in the financial condition or Property, business or operations of the Borrower and the Consolidated Subsidiaries taken as a whole.

SECTION 6.9. TAX RETURNS. The consolidated United States federal income tax returns of the Borrower for the taxable year ended December 31, 1986 and for all taxable years ended prior to said date have been examined by the Internal Revenue Service and have been approved as filed, and any additional assessments in connection with any of such years have been paid or the applicable statute of limitations therefor has expired. There are no assessments in respect of the consolidated United States federal income tax returns of the Borrower and the Consolidated Subsidiaries of a material nature for any taxable year ended after December 31, 1986 pending, nor to the knowledge of the Borrower is any such assessment threatened, other than for those which are provided for by adequate reserves.

SECTION 6.10. APPROVALS. No authorization, consent, license, exemption or filing or registration with any court or governmental department, agency or instrumentality, or any approval or consent of the stockholders of the Borrower or from any other Person, is necessary to the valid execution, delivery or performance by the Borrower of this Agreement or the Notes.

SECTION 6.11. LIENS. There are no Liens on any of the Property of the Borrower or any Subsidiary, except those which are permitted by Section 8.12 hereof.

SECTION 6.12. ERISA. The Borrower and each Subsidiary are in compliance in all material respects with the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), to the extent applicable to them and have received no notice to the contrary from the Pension Benefit Guaranty Corporation ("PBGC") or any other governmental entity or agency. As of December 31, 1993 there were no Unfunded Vested Liabilities of Plans maintained by the Borrower and its Subsidiaries. No condition exists or event or transaction has occurred with respect to any Plan which could reasonably be expected to result in the incurrence by the Borrower or any Subsidiary of any material liability, fine or penalty. Except as disclosed to the Agent in writing, neither the Borrower nor any Subsidiary has any contingent liability with respect to any post-retirement benefits under a Welfare Plan, other than liability for continuation coverage described in Part 6 of Title I of ERISA.

SECTION 6.13. COMPLIANCE WITH ENVIRONMENTAL LAWS. (a) The business and operation of the Borrower and its Subsidiaries comply in all respects with all applicable federal, state, regional, county and local laws, statutes, rules, regulations and ordinances relating to public health, safety or the environment, including, without limitation, relating to releases, discharges, emissions or disposals to air, water, land or groundwater, to the withdrawal or use of groundwater, to the use, handling or disposal of polychlorinated biphenyls (PCB's), asbestos or urea formaldehyde, to the treatment, storage, disposal or management of hazardous substances (including, without limitation, petroleum, its by-products or derivatives, or other hydrocarbons), to exposure to toxic, hazardous, or other controlled, prohibited or regulated substances, to the transportation, storage, disposal, management or release of gaseous or liquid substances, and any regulation, order, injunction, judgment, declaration, notice or demand issued thereunder, except to the extent that such noncompliance in the aggregate would not (i) impair the validity or enforceability of, or materially impair the ability of the Borrower to perform its obligations under, this Agreement or the Notes or (ii) result in any material adverse change in the financial condition or Property, business or operations of the Borrower and the Consolidated Subsidiaries taken as a whole.

(b) The Borrower has not given, nor is it obligated to give, nor has it received, any notice, letter, citation, order, warning, complaint, inquiry, claim or demand that: (i) the Borrower has violated, or is about to violate, any federal, state, regional, county or local environmental, health or safety statute, law, rule, regulation, ordinance, judgment or order; (ii) there has been a release, or there is a threat of release (other than, in either case, a federally permitted release), of hazardous substances (including, without limitation, petroleum, its by-products or derivatives, or other hydrocarbons) from the Borrower's property, facilities, equipment or vehicles (whether now or heretofore owned); (iii) the Borrower may be or is liable, in whole or in part, for the costs of cleaning up, remediating or responding to a release of hazardous substances (including, without limitation, petroleum, its by-products or derivatives, or other hydrocarbons); or (iv) any of the Borrower's property or assets are subject to a Lien in favor of any governmental entity for any liability, costs or damages, under any federal, state, regional, county or local environmental law, rule or regulation arising from, or costs incurred by such governmental entity in response to, a release of a hazardous substance (including, without limitation, petroleum, its by-products or derivatives, or other hydrocarbons), except to the extent that such violation, release, liability or Lien could not (A) impair the validity or enforceability of, or materially impair the ability of the Borrower to perform its obligations under, this Agreement or the Notes or (B) result in any material adverse change in the financial condition or Property, business or operations of the Borrower and the

Consolidated Subsidiaries taken as a whole, and provided that, in the case of a Lien, such Lien does not violate Section 8.12 hereof.

SECTION 7. CONDITIONS PRECEDENT.

The obligation of each Bank to advance, continue, or convert any Loan hereunder shall be subject to the following conditions precedent:

SECTION 7.1. INITIAL BORROWING. Prior to the advance of the initial Borrowing hereunder:

(a) Agent shall have received for each Bank the favorable written opinion of Sidley & Austin, counsel to the Borrower, in substantially the form of Exhibit C hereto, and of Edward H. Graham, Vice President and General Counsel of the Borrower, in substantially the form of Exhibit D hereto, and otherwise in form and substance satisfactory to the Required Banks;

(b) The Agent shall have received for each Bank certified copies of resolutions of the Board of Directors of the Borrower and of a Special Committee thereof, together authorizing the execution and delivery of this Agreement and the Notes, indicating the authorized signers of this Agreement and the Notes and all other documents relating thereto and the specimen signatures of such signers; and

(c) The Agent shall have received from the Borrower a list of its Authorized Representatives.

SECTION 7.2. ALL LOANS. As of the time of the advance, continuation, or conversion of each Borrowing hereunder (including the initial Borrowing):

(a) The Agent shall have received for each Bank the Notes of the Borrower and the notice required by Section 1.4 hereof;

(b) Each of the representations and warranties of the Borrower set forth in Section 6 hereof shall be true and correct as of said time, except that any such representation or warranty that expressly relates solely to an earlier date need only be true and correct as of such date;

(c) The Borrower shall be in full compliance with all of the terms and conditions hereof, and no Default or Event of Default shall have occurred and be continuing or would occur as a result of the advance, continuation, or conversion of such Borrowing;

(d) After giving effect to the advance, continuation, or conversion of such Borrowing the aggregate amount of all indebtedness for borrowed money of the Borrower and its Subsidiaries will not exceed any limit on such indebtedness then established by the Board of Directors of the Borrower; and

(e) After giving effect to the advance, continuation or conversion of such Borrowing (i) the Original Dollar Amount of all Loans outstanding hereunder shall not exceed the Commitments then in effect and (ii) the

Original Dollar Amount of all Loans outstanding from each Bank shall not exceed such Bank's Commitment; and

(f) Such Borrowing shall not violate any order, judgment or decree of any court or other authority or any provision of law or regulation applicable to any Bank (including, without limitation, Regulation U of the Board of Governors of the Federal Reserve System) as then in effect, provided that if any such circumstances affect fewer than all the Banks then the unaffected Banks shall not be relieved of their obligations to continue or convert their Loans that form part of such Borrowing.

Each request for a Borrowing hereunder shall be deemed to be a representation and warranty by the Borrower on the date of such Borrowing as to the facts specified in paragraphs (b), (c) and (d) of this Section 7.2. If any conditions contained in this Section 7.2 are not fulfilled for a Borrowing on the last day of its Interest Period, notwithstanding Section 2.2 hereof, such Borrowing shall be due and payable on the last day of its Interest Period.

SECTION 8. COVENANTS.

The Borrower agrees that, so long as any Note is outstanding hereunder or any credit is available to or in use by the Borrower hereunder except to the extent compliance in any case or cases is waived in writing by the Required Banks:

SECTION 8.1. CORPORATE EXISTENCE. The Borrower shall, and shall cause each Subsidiary to, preserve and maintain its corporate existence, subject to the provisions of Section 8.8 hereof.

SECTION 8.2. MAINTENANCE. The Borrower will maintain, preserve and keep its plants, properties and equipment necessary to the proper conduct of its business in reasonably good repair, working order and condition and will from time to time make all reasonably necessary repairs, renewals, replacements, additions and betterments thereto so that at all times such plants, properties and equipment shall be reasonably preserved and maintained, and will cause each Subsidiary so to do in respect of Property owned or used by it; PROVIDED, HOWEVER, that nothing in this Section shall prevent the Borrower or a Subsidiary from discontinuing the operation or maintenance of any such properties if such discontinuance is, in the judgment of the Borrower, desirable in the conduct of its business or the business of the Subsidiary and not disadvantageous in any material respect to the Banks or the holders of the Notes.

SECTION 8.3. TAXES. The Borrower will duly pay and discharge, and will cause each Subsidiary to pay and discharge, all taxes, rates, assessments, fees and governmental charges upon or against the Borrower or such Subsidiary or against their respective Properties, in each case before the same becomes delinquent and before penalties accrue thereon, unless and to the extent that the same is being contested in good faith and by appropriate proceedings and adequate reserves are provided therefor.

SECTION 8.4. INSURANCE. The Borrower will insure, and keep insured, and will cause each Subsidiary to insure, and keep insured, with good and responsible insurance companies, all insurable Property owned by it which is of a character usually insured by companies similarly situated and operating like Property; and to the extent usually insured (subject to self-insured retentions) by companies similarly situated and conducting similar businesses, the Borrower will also insure, and cause each Subsidiary to insure, employers' and public and

product liability risks with good and responsible insurance companies. The Borrower will upon request of the Agent furnish a summary setting forth the nature and extent of the insurance maintained pursuant to this Section 8.4.

SECTION 8.5. FINANCIAL REPORTS AND OTHER INFORMATION. The Borrower will, and will cause each Consolidated Subsidiary to, maintain a standard system of accounting in accordance with GAAP and will furnish to the Banks and their respective duly authorized representatives such information respecting the business and financial condition of the Borrower and the Subsidiaries as may be reasonably requested; and without any request will furnish to each Bank:

(a) within 50 days after the end of each of the first three quarterly fiscal periods of the Borrower, a copy of the Borrower's Form 10-Q Report filed with the SEC;

(b) within 120 days after the end of each fiscal year of the Borrower, a copy of the Borrower's Form 10-K Report filed with the SEC, including a copy of the annual report of the Borrower and the Consolidated Subsidiaries for such year with accompanying financial statements, prepared by the Borrower and certified by Ernst & Young or any other independent public accountants of recognized national standing selected by the Borrower, in accordance with GAAP;

(c) promptly after the sending or filing thereof, copies of all proxy statements, financial statements and reports which the Borrower sends to its shareholders, and copies of all other regular, periodic and special reports and all registration statements which the Borrower files with the SEC or any successor thereto, or with any national securities exchange; and

(d) as promptly as possible, and in any event within one Business Day after an Authorized Officer has knowledge thereof, notice of (i) any change in the S&P Rating or the Moody's Rating and (ii) any Default or Event of Default; and

(e) an updated Exhibit B along with the financial statements delivered under subsection (a) or (b) above, as applicable, for any calendar quarter during which there is a change in any of the facts specified in Exhibit B hereto, as then most recently updated.

(f) the Borrower will permit each Bank to visit and inspect, under the Borrower's guidance, any of the Properties of such Borrower or any Subsidiary, to examine all their books of account and records, to make copies and abstracts therefrom, and to discuss the Borrower's and its Subsidiaries' respective affairs, finances and accounts with such officers or employees as the Borrower may designate for such purpose, all at such reasonable times as may be reasonably requested; PROVIDED THAT unless a Default or an Event of Default exists, all such inspections shall be at the expense of the Bank or Banks making such inspections.

Each of the financial statements furnished to the Banks pursuant to subsections (a) and (b) of this Section 8.5 shall be accompanied by a written certificate signed by the chief financial officer or treasurer of the Borrower to the effect that (i) to the best of the knowledge and belief of the signer thereof no Default or Event of Default has occurred during the period covered by such statements or, if any such Default or Event of Default has occurred during such period, setting forth a description of such Default or Event of Default and specifying the action, if any, taken by the Borrower to remedy the same, (ii) the representations and warranties contained in Section 6 hereof are true and correct as though made on the date of such certificate, except as otherwise described, (iii) the Borrower is in compliance with all covenants contained in Section 8 hereof, and (iv) a compliance certificate in the form of Exhibit E hereto showing the calculations necessary to determine compliance with Sections 8.6 and 8.7 hereof. In the event the Borrower is no longer required to file Form 10Q and 10K Reports with the SEC, the Borrower will nevertheless furnish to the Banks at the time hereinabove set forth all the financial and other information that would have comprised such filings.

SECTION 8.6. LEVERAGE RATIO. The Borrower will, as of the last day of each fiscal quarter of the Borrower, maintain a ratio of Consolidated Indebtedness to the sum of Consolidated Indebtedness plus Consolidated Net Worth of not more than 0.55.

SECTION 8.7. INTEREST COVERAGE RATIO. The Borrower will, as of the last day of each fiscal quarter of the Borrower, maintain the ratio of Consolidated Income Before Interest and Taxes to Consolidated Interest Expense for the four most recently completed fiscal quarters ending on such date of not less than 2.5 to 1.0.

SECTION 8.8. MERGERS, CONSOLIDATIONS, LEASES, AND SALES. The Borrower:

(a) will not be a party to any merger or consolidation unless the Borrower is the surviving corporation;

(b) except as permitted in subsection (c) hereof, will not permit any Consolidated Subsidiary to be a party to any merger or consolidation unless

the Consolidated Subsidiary is the surviving corporation and remains a Consolidated Subsidiary after the merger or consolidation, except any Consolidated Subsidiary may merge into the Borrower or a Wholly-Owned Consolidated Subsidiary and except that this subsection (b) shall not prohibit any merger where the Consolidated Subsidiary is not the surviving

corporation if, after giving effect to such merger, the surviving corporation is a Wholly-Owned Consolidated Subsidiary; and

(c) except for Permitted Securitizations, will not, and will not permit any Consolidated Subsidiary to, sell, assign, lease or otherwise transfer to any Person other than the Borrower or one or more Consolidated Subsidiaries any Properties (including, without limitation, any capital stock of any Consolidated Subsidiary) other than in the ordinary course of its business as conducted on the date hereof, unless such sale, assignment, lease or transfer is for a consideration not less than the fair market value thereof and unless, after giving effect to such sale, assignment, lease or transfer, the aggregate proceeds to the Borrower and the Consolidated Subsidiaries of all such sales, assignments, leases and transfers (other than in the ordinary course of its business as conducted on the date hereof) shall not exceed 10% of the Borrower's consolidated assets as shown on the Borrower's June 30, 1995 financial statements described in Section 6.6 hereof.

SECTION 8.9. CHANGE OF CONTROL. If a Change of Control shall occur, the Borrower will, within 1 Business Day after the Borrower becomes aware of the occurrence thereof, give the Agent notice thereof and describe in reasonable detail the facts and circumstances giving rise thereto.

SECTION 8.10. ERISA. The Borrower will promptly pay and discharge all obligations and liabilities arising under ERISA of a character which if unpaid or unperformed might result in the imposition of a Lien against any of its properties or assets and will promptly notify the Agent of (i) the occurrence of any reportable event (as defined in ERISA) with respect to a Plan, other than any such event of which the PBGC has waived notice by regulation, (ii) receipt of any notice from PBGC of its intention to seek termination of any Plan or appointment of a trustee therefor, (iii) its or any Subsidiary's intention to terminate or withdraw from any Plan, and (iv) the occurrence of any event with respect to any Plan which could result in the incurrence by the Borrower or any Subsidiary of any material liability, fine or penalty, or any material increase

in the contingent liability of the Borrower or any Subsidiary with respect to any post-retirement Welfare Plan benefit.

SECTION 8.11. CONDUCT OF BUSINESS. The Borrower will not engage in any business if, as a result, the general nature of the business which would then be engaged in by the Borrower would be substantially changed from the general nature of the business engaged in by the Borrower on the date of this Agreement.

SECTION 8.12. LIENS. The Borrower will not nor will it permit any Subsidiary to create, incur, permit to exist or to be incurred any Lien of any kind on any Property owned by the Borrower or any Subsidiary; PROVIDED, HOWEVER, that this Section 8.12 shall not apply to nor operate to prevent:

(a) Liens existing as of the date of this Agreement (which in the aggregate secure less than U.S. $10,000,000 in indebtedness and other

liabilities and which in the aggregate apply to Property constituting less than 5% of the Borrower's consolidated assets);

(b) Liens in connection with worker's compensation, unemployment insurance, old age benefits, social security obligations, taxes, assessments, statutory obligations or other similar charges, good faith deposits in connection with tenders, contracts or leases to which the Borrower or any Subsidiary is a party (other than contracts for borrowed money), or other deposits required to be made in the ordinary course of business; PROVIDED that in each case the obligation secured is not overdue or, if overdue, is being contested in good faith by appropriate proceedings and adequate reserves have been established therefor;

(c) mechanics', workmen's, materialmen's, landlords', carriers' or other similar Liens arising in the ordinary course of business with respect to obligations which are not due or which are being contested in good faith by appropriate proceedings and adequate reserves have been established therefor;

(d) Liens arising out of judgments or awards against the Borrower or any Subsidiary with respect to which the Borrower or such Subsidiary shall be prosecuting an appeal or proceeding for review and with respect to which

it shall have obtained a stay of execution pending such appeal or proceeding for review; PROVIDED that the aggregate amount of liabilities (including interest and penalties, if any) of the Borrower and the Subsidiaries secured by such Liens shall not exceed U.S. $25,000,000 at any one time outstanding;

(e) Liens for property taxes not yet subject to penalties for nonpayment, or survey exceptions, encumbrances, mineral or royalty reservations, easements or reservations of, or rights of others for, rights of way, sewers, electric lines, pipe lines, telegraph and telephone lines and other similar purposes, or zoning or other restrictions as to the use of its properties, which exceptions, encumbrances, easements, reservations, rights and restrictions do not in the aggregate materially detract from the value of such properties or materially impair their use in the operation of the business of the Borrower and its Subsidiaries;

(f) Liens upon any Property acquired by the Borrower or any Subsidiary after the date hereof (A) to secure the payment of all or any part of the purchase price of such Property upon the acquisition thereof by the Borrower or such Subsidiary, or (B) to secure any indebtedness issued, assumed or guaranteed by the Borrower or any Subsidiary prior to, at the time of, or within 270 days after the acquisition of such Property, which indebtedness is issued, assumed or guaranteed for the purpose of financing all or any part of the purchase price of such Property, PROVIDED that in the case of any such acquisition the Lien shall not apply to any Property other than the Property so acquired or purchased;

(g) Liens of or upon any Property existing at the time of acquisition thereof by the Borrower or any Subsidiary and not created in contemplation of such acquisition;

(h) Liens of or upon any Property of a corporation existing at the time such corporation is merged with or into or consolidated with the Borrower or any Subsidiary or existing at the time of a sale or transfer of the properties of a corporation (or division thereof) as an entirety or substantially as an entirety to the Borrower or any Subsidiary and not created in contemplation of such transaction;

(i) Liens to secure indebtedness of any Subsidiary to the Borrower or to another Subsidiary;

(j) 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 political subdivision, to secure partial, progress, advance or other payments pursuant to any contract or statute or to secure any indebtedness incurred or guaranteed for the purpose of financing or refinancing all or any part of the purchase price of the Property subject to such Liens, or the cost of constructing or improving the Property subject to such mortgages (including, without limitation, mortgages incurred in connection with pollution control, industrial revenue or similar financings);

(k) any extension, renewal or replacement (or successive extensions, renewals or replacements) in whole or in part of any Lien referred to in the foregoing paragraphs (a) through (j), inclusive, PROVIDED, HOWEVER, that the principal amount of indebtedness secured thereby shall not exceed the principal amount of indebtedness so secured at the time of such extension, renewal or replacement, and that such extension, renewal or replacement shall be limited to the Property which was subject to the Lien so extended, renewed or replaced; or

(l) Liens arising out of any Permitted Securitization.

SECTION 8.13. USE OF PROCEEDS; MARGIN STOCK. (a) The Borrower shall only use the proceeds of the Loans for general corporate purposes.

(b) The Borrower shall not directly or indirectly use the proceeds of any of the Loans to purchase or carry any Margin Stock, and at no time will Margin Stock constitute 25% or more of the assets of the Borrower or of the consolidated assets of the Borrower and the Subsidiaries.

SECTION 8.14. COMPLIANCE WITH LAWS. Without limiting any of the other covenants of the Borrower in this Section 8, the Borrower will, and will cause each of its Subsidiaries to, conduct its business, and otherwise be, in compliance with all applicable laws, regulations, ordinances and orders of any governmental or judicial authorities, non-compliance with which would (a) in any material way impair the validity or enforceability or the ability of the

Borrower to perform its obligations under this Agreement or the Notes or (b) result in any material adverse change in the financial condition or properties, business or operations of the Borrower and the Consolidated Subsidiaries taken as a whole; PROVIDED, HOWEVER, that the Borrower or any Subsidiary shall not be required to comply with any such law, regulation, ordinance or order if it shall be contesting such law, regulation, ordinance or order in good faith by appropriate proceedings and adequate reserves, if appropriate, shall have been established therefor.

SECTION 9. EVENTS OF DEFAULT AND REMEDIES.

SECTION 9.1. EVENTS OF DEFAULT. Any one or more of the following shall constitute an Event of Default:

(a) (i) default in the payment when due of any principal on any Note or any Loan evidenced thereby, whether at the stated maturity thereof or at any other time provided in this Agreement; or (ii) default for a period of five days in the payment when due of interest on any Note or any Loan evidenced thereby or of any other sums required to be paid pursuant to this Agreement;

(b) default by the Borrower in the observance or performance of any covenant set forth in Sections 8.6, 8.7, 8.8, 8.9, 8.11 or 8.13 hereof;

(c) default by the Borrower in the observance or performance of any other provision hereof not mentioned in (a) or (b) above, which is not remedied within 30 days after notice thereof to the Borrower by the Agent or any Bank;

(d) any representation or warranty made herein by the Borrower, or in any statement or certificate furnished pursuant hereto by the Borrower, or in connection with any Loan advanced hereunder, proves untrue in any material respect as of the date of the issuance or making thereof;

(e) the Borrower or any Subsidiary shall fail within thirty (30) days to pay, bond or otherwise discharge any judgment or order for the payment of money in excess of U.S. $25,000,000, which is not stayed on appeal or otherwise being appropriately contested in good faith in a manner that stays enforcement thereof;

(f) the Borrower or any other member of its Controlled Group shall fail to pay when due an amount or amounts aggregating in excess of U.S. $10,000,000 which it shall have become liable to pay to the PBGC or to a Plan under Title IV of ERISA; or notice of intent to terminate a Plan or Plans having aggregate Unfunded Vested Liabilities in excess of U.S. $10,000,000 (collectively, a "MATERIAL PLAN") shall be filed under Title IV of ERISA by the Borrower or any other member of its Controlled Group, any plan administrator or any combination of the foregoing; or the PBGC shall institute proceedings under Title IV of ERISA to terminate or to cause a

trustee to be appointed to administer any Material Plan or a proceeding shall be instituted by a fiduciary of any Material Plan against the Borrower or any member of its Controlled Group to enforce Section 515 or 4219(c)(5) of ERISA and such proceeding shall not have been dismissed within thirty (30) days thereafter; or a condition shall exist by reason of which the PBGC would be entitled to obtain a decree adjudicating that any Material Plan must be terminated;

(g) (A) default shall occur in the payment when due of any indebtedness for borrowed money issued or assumed by the Borrower or any Subsidiary aggregating in excess of U.S. $10,000,000 or the Borrower or any Subsidiary shall default in the payment of any guaranty of indebtedness in such an amount, or (B) default shall occur under any indenture, agreement or other instrument under which any indebtedness for borrowed money of the Borrower or any Subsidiary may be issued, assumed or guaranteed, and such default shall continue for a period of time sufficient to permit the acceleration of the maturity of any such indebtedness for borrowed money of the Borrower or any Subsidiary aggregating in excess of U.S. $10,000,000 (whether or not such maturity is in fact accelerated);

(h) any person or group of persons (within the meaning of Section 13 or 14 of the Securities Exchange Act of 1934, as amended) shall have acquired beneficial ownership (within the meaning of Rule 13d-3 promulgated by the SEC under said Act) of 20% or more in voting power of the outstanding Voting Stock of the Borrower (a "CHANGE OF CONTROL");

(i) the Borrower or any Material Subsidiary shall (i) have entered against it an order for relief under the United States Bankruptcy Code, as amended, (ii) not pay, or admit in writing its inability to pay, its debts generally as they become due, (iii) make an assignment for the benefit of creditors, (iv) apply for, seek, consent to, or acquiesce in, the appointment of a receiver, custodian, trustee, examiner, liquidator or similar official for it or any substantial part of its property, (v) institute any proceeding seeking to have entered against it an order for relief under the United States Bankruptcy Code, as amended, to adjudicate it insolvent, or seeking dissolution, winding up, liquidation, reorganization, arrangement, adjustment or composition of it or its debts

under any law relating to bankruptcy, insolvency or reorganization or relief of debtors or fail to file an answer or other pleading denying the material allegations of any such proceeding filed against it, or (vi) fail to contest in good faith any appointment or proceeding described in Section 9.1(j) hereof; or

(j) a custodian, receiver, trustee, examiner, liquidator or similar official shall be appointed for the Borrower or any Material Subsidiary or any substantial part of any of their Property, or a proceeding described in Section 9.1(i)(v) shall be instituted against the Borrower, and such appointment continues undischarged or such proceeding continues undismissed or unstayed for a period of sixty (60) days.

SECTION 9.2. NON-BANKRUPTCY DEFAULTS. When any Event of Default other than those described in Sections 9.1(i) or (j) has occurred and is continuing, the Agent shall, by notice to the Borrower, (a) if so directed by the Required Banks, terminate the remaining Commitments of the Banks hereunder on the date stated in such notice (which may be the date thereof); and (b) if so directed by the Banks holding Notes evidencing more than 66-2/3% of the aggregate principal amount of all Loans then outstanding, declare the principal of and the accrued interest on all outstanding Notes of the Borrower to be forthwith due and payable and thereupon all of said Notes, including both principal and interest, shall be and become immediately due and payable together with all other amounts payable under this Agreement without further demand, presentment, protest or notice of any kind. The Agent, after giving notice to the Borrower pursuant to Section 9.1 or this Section 9.2, shall also promptly send a copy of such notice to the other Banks, but the failure to do so shall not impair or annul the effect of such notice.

SECTION 9.3. BANKRUPTCY DEFAULTS. When any Event of Default described in subsections (i) or (j) of Section 9.1 hereof has occurred and is continuing, then all outstanding Notes shall immediately become due and payable together with all other amounts payable under this Agreement without presentment, demand, protest or notice of any kind, and the obligation of the Banks to extend further credit pursuant to any of the terms hereof shall immediately terminate.

SECTION 9.4. EXPENSES. The Borrower agrees to pay to the Agent and each Bank, or any other holder of any Note outstanding hereunder, all reasonable

costs and expenses incurred or paid by the Agent and such Bank or any such holder, including reasonable attorneys fees and court costs, in connection with any Default or Event of Default by the Borrower hereunder or in connection with the enforcement of any of the terms hereof or of the Notes.

SECTION 10. CHANGE IN CIRCUMSTANCES.

SECTION 10.1. CHANGE OF LAW. Notwithstanding any other provision of this Agreement or any Note, if at any time after the date hereof any change in applicable law or regulation or in the interpretation thereof makes it unlawful for any Bank to make or continue to maintain Eurocurrency Loans in any currency or to give effect to its obligations as contemplated hereby, such Bank shall promptly give notice thereof to the Borrower, with a copy to the Agent, and such Bank's obligations to make or maintain Eurocurrency Loans in such currency under this Agreement shall terminate until it is no longer unlawful for such Bank to make or maintain Eurocurrency Loans in such currency. The Borrower shall prepay on demand the outstanding principal amount of any such affected Eurocurrency Loans, together with all interest accrued thereon and all other amounts then due and payable to such Bank under this Agreement; PROVIDED, HOWEVER, subject to all of the terms and conditions of this Agreement, the Borrower may instead elect to convert the principal amount of the affected Eurocurrency Loan if denominated in U.S. Dollars into a Domestic Rate Loan from such Bank that shall not be maintained through conversion ratably by the Banks but only by such affected Bank.

SECTION 10.2. UNAVAILABILITY OF DEPOSITS OR INABILITY TO ASCERTAIN, OR INADEQUACY OF, LIBOR. If on or prior to the first day of any Interest Period for any Borrowing of Eurocurrency Loans:

(a) the Agent is advised by the Reference Banks that deposits in U.S. Dollars or the applicable Alternative Currency (in the applicable amounts) are not being offered to the Reference Banks in the eurocurrency interbank market for such Interest Period, or that by reason of circumstances affecting the interbank eurocurrency market adequate and reasonable means do not exist for ascertaining the applicable LIBOR, or

(b) Banks having 25% or more of the aggregate amount of the Commitments advise the Agent that (i) LIBOR as determined by the Agent will

not adequately and fairly reflect the cost to such Banks or Bank of or its funding their Eurocurrency Loans or Loan for such Interest Period or (ii) that the making or funding of Eurocurrency Loans in the relevant currency has become impracticable as a result of an event occurring after the date of the Agreement which in the opinion of such Banks or Bank materially affects such Loans,

then the Agent shall forthwith give notice thereof to the Borrower and the Banks, whereupon until the Agent notifies the Borrower that the circumstances giving rise to such suspension no longer exist, the obligations of the Banks or of the relevant Bank to make Eurocurrency Loans in the currency so affected shall be suspended.

SECTION 10.3. INCREASED COST AND REDUCED RETURN. (a) If on or after the date hereof, the adoption of any applicable law, rule or regulation, or any change therein, or any change in the interpretation or administration thereof by any governmental authority, central bank or comparable agency charged with the interpretation or administration thereof, or compliance by any Bank (or its Lending Office) with any request or directive (whether or not having the force of law) of any such authority, central bank or comparable agency:

(i) shall subject any Bank (or its Lending Office) to any tax, duty or other charge with respect to its Eurocurrency Loans, its Notes or its obligation to make Eurocurrency Loans, or shall change the basis of taxation of payments to any Bank (or its Lending Office) of the principal of or interest on its Eurocurrency Loans or any other amounts due under this Agreement in respect of its Eurocurrency Loans or its obligation to make Eurocurrency Loans (except for taxes imposed on or measured by the overall net income of such Bank or its Lending Office imposed by the jurisdiction in which such Bank's principal executive office or Lending Office is located); or

(ii) shall impose, modify or deem applicable any reserve, special deposit or similar requirement (including, without limitation, any such requirement imposed by the Board of Governors of the Federal Reserve System, but excluding with respect to any Eurocurrency Loans any such requirement included in an applicable Eurocurrency Reserve Percentage) against assets of, deposits with or for the account of, or credit extended

by, any Bank (or its Lending Office) or shall impose on any Bank (or its

Lending Office) or on the interbank market any other condition affecting its Eurocurrency Loans, its Notes or its obligation to make Eurocurrency Loans;

and the result of any of the foregoing is to increase the cost to such Bank (or its Lending Office) of making or maintaining any Eurocurrency Loan, or to reduce the amount of any sum received or receivable by such Bank (or its Lending Office) under this Agreement or under its Notes with respect thereto, by an amount deemed by such Bank to be material, then, within fifteen (15) days after demand by such Bank (with a copy to the Agent), the Borrower shall be obligated to pay to such Bank such additional amount or amounts as will compensate such Bank for such increased cost or reduction.

(b) If after the date hereof, any Bank shall have determined that the adoption of any applicable law, rule or regulation regarding capital adequacy, or any change therein (including, without limitation, the adoption of any risk-based capital guidelines, or any revisions thereof, currently proposed by banking regulators), or any change in the interpretation or administration thereof by any governmental authority, central bank or comparable agency charged with the interpretation or administration thereof, or compliance by any Bank (or its Lending Office) with any request or directive regarding capital adequacy (whether or not having the force of law) of any such authority, central bank or comparable agency, has or would have the effect of reducing the rate of return on such Bank's capital, or on the capital of any corporation controlling such Bank, as a consequence of its obligations hereunder to a level below that which such Bank could have achieved but for such adoption, change or compliance (taking into consideration such Bank's policies with respect to capital adequacy) by an amount deemed by such Bank to be material, then from time to time, within fifteen (15) days after demand by such Bank (with a copy to the Agent), the Borrower shall pay to such Bank such additional amount or amounts as will compensate such Bank for such reduction.

(c) Each Bank that suspends its obligation to advance or maintain Eurocurrency Loans Under Section 10.1 hereof, determines to seek compensation under this Section 10.3, or becomes entitled to receive additional amounts under Section 12.1(c) hereof shall notify the Borrower and the Agent of the circumstances that entitle the Bank to such right pursuant to any of such Sections and will designate a different Lending Office if such designation will avoid such situation or, in the case of Sections 10.3 and 12.1, reduce the amount of compensation payable thereunder, and will not, in the judgment of such Bank, be otherwise disadvantageous to such Bank. A certificate of any Bank claiming compensation under this Section 10.3 and setting forth the additional amount or amounts to be paid to it hereunder shall be conclusive if reasonably determined. In determining such amount, such Bank may use any reasonable averaging and attribution methods.

SECTION 10.4. LENDING OFFICES. Each Bank may, at its option, elect to make its Loans hereunder at the branch, office or affiliate specified on the appropriate signature page hereof (each a "LENDING OFFICE") for each type of Loan available hereunder or at such other of its branches, offices or affiliates or an international banking facility created by such Bank to make such Loan as

it may from time to time elect and designate in a notice to the Borrower and the Agent; PROVIDED, HOWEVER, that in such event such Loan shall be deemed to have been made by such Bank from its relevant Lending Office for such Loans, and the obligation of the Borrower to repay such Loan shall nevertheless be to such Bank and shall be deemed to be held by such Bank, to the extent of such Loan, for the account of such branch, office, affiliate or international banking facility.

SECTION 10.5. DISCRETION OF BANK AS TO MANNER OF FUNDING. Notwithstanding any other provision of this Agreement, each Bank shall be entitled to fund and maintain its funding of all or any part of its Loans in any manner it sees fit, it being understood, however, that for the purposes of this Agreement all determinations hereunder shall be made as if each Bank had actually funded and maintained each Eurocurrency Loan through the purchase of deposits in the eurocurrency interbank market having a maturity corresponding to such Loan's Interest Period and bearing an interest rate equal to LIBOR for such Interest Period.

SECTION 10.6. SUBSTITUTION OF BANK. If (a) any Bank has demanded compensation or given notice of its intention to demand compensation under Section 10.3 or (b) the Borrower is required to pay any additional amount to any Bank pursuant to Section 12.1, and in any such case the Required Banks are not in the same situation, the Borrower shall have the right, with the assistance of the Agent if desired, to seek a substitute bank or banks reasonably satisfactory to the Agent (which may be one or more of the Banks) to replace such Bank under this Agreement. The Bank to be so replaced shall cooperate with the Borrower and substitute bank to accomplish such substitution on the terms of Section 12.12 hereof, provided that such Bank's entire Commitment is replaced, and the U.S. $2,500 fee payable under Section 12.12 shall not be payable in connection with any such assignment required under this Section 10.6.

SECTION 11. THE AGENT.

SECTION 11.1. APPOINTMENT AND AUTHORIZATION. Each Bank hereby irrevocably appoints Bank of Montreal its Agent under this Agreement and hereby authorizes the Agent to take such action as Agent on its behalf and to exercise such powers under this Agreement as are delegated to the Agent by the terms hereof, together with such powers as are reasonably incidental thereto.

SECTION 11.2. AGENT AND AFFILIATES. The Agent shall have the same rights and powers under this Agreement as any other Bank and may exercise or refrain

from exercising the same as though it were not the Agent, and each Agent and its affiliates may accept deposits from, lend money to, and generally engage in any kind of business with the Borrower or any Subsidiary or affiliate of the Borrower as if it were not the Agent hereunder. The term Bank as used herein, unless the context otherwise clearly requires, includes the Agent in its individual capacity as a Bank. References in Section 1 hereof to the Agent's Loans, or to the amount owing to the Agent for which an interest rate is being determined, refer to the Agent in its individual capacity as a Bank.

SECTION 11.3. ACTION BY AGENT. Except for action expressly required of the Agent hereunder, the Agent shall in all cases be fully justified in failing or refusing to act hereunder unless the Agent shall be indemnified to its reasonable satisfaction by the Banks against any and all liability and expense which may be incurred by it by reason of taking or continuing to take any such action. In all cases in which this Agreement does not require the Agent to take certain actions, the Agent shall be fully justified in using their discretion in failing to take or in taking any action hereunder. Without limiting the generality of the foregoing, the Agent shall not be required to take any action with respect to any Event of Default, except as expressly provided in Section 9.2. The Agent shall not be deemed to have knowledge of any Default or Event of Default until it receives written notice thereof from the Borrower or a Bank specifically identified as a "NOTICE OF DEFAULT." The Agent shall be acting as an independent contractor hereunder and nothing herein shall be deemed to impose on the Agent any fiduciary obligations to the Banks or the Borrower.

SECTION 11.4. CONSULTATION WITH EXPERTS. The Agent may consult with legal counsel, independent public accountants and other experts selected by it and shall not be liable for any action taken or omitted to be taken by it in good faith in accordance with the advice of such counsel, accountants or experts.

SECTION 11.5. LIABILITY OF AGENT. Neither the Agent nor any of its directors, officers, agents or employees shall be liable for any action taken or not taken by it in connection herewith (i) with the consent or at the request of the Required Banks or (ii) in the absence of its own gross negligence or willful misconduct. Neither the Agent nor any of its directors, officers, agents or employees shall be responsible for or have any duty to ascertain, inquire into or verify (i) any statement, warranty or representation made in connection with

this Agreement or any borrowing hereunder; (ii) the performance or observance of any of the covenants or agreements of the Borrower; (iii) the satisfaction of any condition specified in Section 7, except receipt of items required to be delivered to the Agent; or (iv) the validity, effectiveness or genuineness of this Agreement, the Notes or any other instrument or writing furnished in connection herewith. The Agent shall not incur any liability by acting in reliance upon any notice, consent, certificate, request or statement, (whether written or oral) or other documents believed by it to be genuine or to be signed by the proper party or parties and, in the case of legal matters, in relying on the advice of counsel (including counsel for the Borrower). The Agent may treat the Banks that are named herein as the holders of the Notes and the indebtedness contemplated herein unless and until the Agent receive notice of the assignment of the Note and the indebtedness held by a Bank hereunder pursuant to an assignment contemplated by Section 12.12 hereof.

SECTION 11.6. INDEMNIFICATION. Each Bank shall, ratably in accordance with its Commitments (or, if the Commitments have been terminated in whole, ratably in accordance with its outstanding Loans), indemnify the Agent, its directors, officers, and employees (to the extent not reimbursed by the Borrower) against any cost, expense (including counsels' fees and disbursements), claim, demand, action, loss, obligation, damages, penalties, judgments, suits or liability (except such as result from the Agent's gross negligence or willful misconduct) that any of them may suffer or incur in connection with this Agreement or any action taken or omitted by any of them hereunder.

SECTION 11.7. CREDIT DECISION. Each Bank acknowledges that it has, independently and without reliance upon the Agent or any other Bank, and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Bank also acknowledges that it will, independently and without reliance upon the Agent or any other Bank, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking any action under this Agreement.

SECTION 11.8. RESIGNATION OF AGENT AND SUCCESSOR AGENT. Subject to the appointment and acceptance of a successor Agent as provided below, the Agent may resign at any time by giving written notice thereof to the Banks and the Borrower, and the Required Banks may remove the Agent, with the consent of the Borrower, at any time. Upon any such resignation or removal of the Agent, the Required Banks shall have the right to appoint, with the consent of the Borrower, a successor Agent. If no successor Agent shall have been so appointed

by the Required Banks, and shall have accepted such appointment, within thirty (30) days after the retiring Agent's giving of notice of resignation or receiving notice of its removal, then the retiring Agent may, on behalf of the Banks, appoint a successor Agent, which shall be a commercial bank organized under the laws of the United States of America or of any State thereof and having a combined capital and surplus of at least U.S. $200,000,000. Upon the acceptance of its appointment as Agent hereunder by a successor Agent, such successor Agent shall thereupon succeed to and become vested with all the rights and duties of the retiring Agent, and the retiring Agent shall be discharged from its duties and obligations hereunder. After any retiring Agent's resignation or removal hereunder as Agent, the provisions of this Section 11 shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Agent.

SECTION 11.9. PAYMENTS. Unless the Agent shall have been notified by a Bank prior to the date on which such Bank is scheduled to make payment to the Agent of the proceeds of a Loan (which notice shall be effective upon receipt) that such Bank does not intend to make such payment, the Agent may assume that such Bank has made such payment when due and the Agent may in reliance upon such assumption (but shall not be required to) make available to the Borrower the proceeds of the Loan to be made by such Bank and, if any Bank has not in fact made such payment to the Agent, such Bank shall, on demand, pay to the Agent the amount made available to the Borrower attributable to such Bank together with interest thereon in respect of each day during the period commencing on the date such amount was made available to the Borrower and ending on (but excluding) the date such Bank pays such amount to the Agent at a rate per annum equal to the Federal Funds Rate. If such amount is not received from such Bank by the Agent immediately upon demand, the Borrower will, on demand, repay to the Agent the proceeds of the Loan attributable to such Bank with interest thereon at a rate per annum equal to the interest rate applicable to the relevant Loan, but without such payment being considered a payment or prepayment of a Loan, so that the Borrower will have no liability under Section 2.7 hereof with respect to such payment. "FEDERAL FUNDS RATE" shall mean the rate described in clause (x) of Section 1.2(a)(ii) hereof.

SECTION 11.10. CO-AGENT. Nothing in this Agreement shall impose any obligations on Royal Bank of Canada in its capacity as Co-Agent hereunder.

SECTION 12. MISCELLANEOUS.

SECTION 12.1. WITHHOLDING TAXES.

(a) U.S. WITHHOLDING TAX EXEMPTIONS. Each Bank that is not a United States person (as such term is defined in Section 7701(a)(30) of the Code) shall submit to the Borrower and the Agent on or before the date the initial Borrowing is made hereunder, two duly completed and signed copies of either Form 1001 (relating to such Bank and entitling it to a complete exemption from withholding on all amounts to be received by such Bank, including fees, pursuant to this Agreement and the Loans) or Form 4224 (relating to all amounts to be received by such Bank, including fees, pursuant to this Agreement and the Loans) of the United States Internal Revenue Service. Thereafter and from time to time, each such Bank shall submit to the Borrower and the Agent such additional duly completed and signed copies of one or the other of such Forms (or such successor forms as shall be adopted from time to time by the relevant United States taxing authorities) as may be (i) notified by the Borrower or Agent to such Bank and (ii) required under then-current United States law or regulations to avoid or reduce United States withholding taxes on payments in respect of all amounts to be received by such Bank, including fees, pursuant to this Agreement or the Loans. Upon the request of the Borrower or Agent, each Bank that is a United States person (as such term is defined in Section 7701(a)(30) of the Code) shall submit to the Borrower a certificate to the effect that it is such a United States person.

(b) INABILITY OF BANK TO SUBMIT FORMS. If any Bank determines, as a result of any change in applicable law, regulation or treaty, or in any official application or interpretation thereof, that it is unable to submit to the Borrower any form or certificate that such Bank is obligated to submit pursuant to subsection (a) of this Section 12.1, or that such Bank is required to withdraw or cancel any such form or certificate previously submitted or any such form or certificate otherwise become ineffective or inaccurate, such Bank shall promptly notify the Borrower and Agent of such fact and the Bank shall to that extent not be obligated to provide any such form or certificate and will be entitled to withdraw or cancel any affected form or certificate, as applicable.

(c) PAYMENT OF ADDITIONAL AMOUNTS. If, as a result of any change in applicable law, regulation or treaty, or in any official application or interpretation thereof, the Borrower is required by law or regulation to make any deduction, withholding or backup withholding of any taxes, levies, imposts, duties, fees, liabilities or similar charges of the United States of America, any possession or territory of the United States of America (including the Commonwealth of Puerto Rico) or any area subject to the jurisdiction of the United States of America ("U.S. TAXES") from any payments to a Bank in respect of Loans then or thereafter outstanding, or other amounts owing hereunder, the amount payable by the Borrower will be increased to the amount which, after deduction from such increased amount of all U.S. Taxes required to be withheld or deducted therefrom, will yield the amount required under this Agreement to be payable with respect thereto; provided that the Borrower shall not be required

to pay any additional amount pursuant to this subsection (c) to any Bank that (i) is not, on the date this Agreement is executed by such Bank, either (x) entitled to submit Form 1001 relating to such Bank and entitling it to a complete or partial exemption from withholding on all amounts to be received by such Bank, including fees, pursuant to this Agreement and the Loans (and in the case of a Bank that on such date is only entitled to present a Form 1001 entitling it to a partial exemption from such withholding the Borrower shall in no event be required to make any such additional payment beyond the value of the partial exemption to which such Bank was originally entitled) or Form 4224 relating to all amounts to be received by such Bank, including fees, pursuant to this Agreement and the Loans or (y) a U.S. person (as such term is defined in Section 7701(a)(30) of the Code), or (ii) has failed to submit any form or certificate that it was required to file pursuant to subsection (a) of this Section 12.1 and entitled to file under applicable law, or (iii) is no longer entitled to submit Form 1001 or Form 4224 as a result of any change in circumstances other than a change in applicable law, regulation or treaty or in any official application or interpretation thereof. Within 30 days after the Borrower's payment of any such U.S. Taxes, the Borrower shall deliver to the Agent, for the account of the relevant Bank(s), originals or certified copies of official tax receipts evidencing such payment. The obligations of the Borrower under this subsection (c) shall survive the payment in full of the Loans and the termination of the Commitments.

SECTION 12.2. NO WAIVER OF RIGHTS. No delay or failure on the part of any Bank or on the part of the holder or holders of any Note in the exercise of any power or right shall operate as a waiver thereof, nor as an acquiescence in any default, nor shall any single or partial exercise thereof preclude any other or further exercise of any other power or right, and the rights and remedies hereunder of the Banks and of the holder or holders of any Notes are cumulative to, and not exclusive of, any rights or remedies which any of them would otherwise have.

SECTION 12.3. NON-BUSINESS DAY. If any payment of principal or interest on any Loan or of any fee hereunder shall fall due on a day which is not a Business Day, interest at the rate such Loan bears for the period prior to maturity or at the rate such fee accrues shall continue to accrue from the stated due date thereof to and including the next succeeding Business Day, on which the same shall be payable.

SECTION 12.4. DOCUMENTARY TAXES. The Borrower agrees that it will pay any documentary, stamp or similar taxes payable in respect to this Agreement or any Note, including interest and penalties, in the event any such taxes are assessed irrespective of when such assessment is made and whether or not any credit is

then in use or available hereunder.

SECTION 12.5. SURVIVAL OF REPRESENTATIONS. All representations and warranties made herein or in certificates given pursuant hereto shall survive the execution and delivery of this Agreement and of the Notes, and shall continue in full force and effect with respect to the date as of which they were made as long as any credit is in use or available hereunder.

SECTION 12.6. SURVIVAL OF INDEMNITIES. All indemnities and all other provisions relative to reimbursement to the Banks of amounts sufficient to

protect the yield of the Banks with respect to the Loans, including, but not limited to, Section 2.7 and Section 10.3 hereof, shall survive the termination of this Agreement and the payment of the Loans and the Notes.

SECTION 12.7. SHARING OF SET-OFF. Each Bank agrees with each other Bank a party hereto that if on or after the date of the occurrence of an Event of Default and the acceleration of the maturity of the Notes pursuant to Section 9.2 or 9.3 hereof such Bank shall receive and retain any payment, whether by set-off or application of deposit balances or otherwise ("SET-OFF"), on any of its Loans outstanding under this Agreement in excess of its ratable share of payments on all Loans then outstanding to the Banks, then such Bank shall purchase for cash at face value, but without recourse, ratably from each of the other Banks such amount of the Loans held by each such other Bank (or interest therein) as shall be necessary to cause such Bank to share such excess payment ratably with all the other Banks; PROVIDED, HOWEVER, that if any such purchase is made by any Bank, and if such excess payment or part thereof is thereafter recovered from such purchasing Bank, the related purchases from the other Banks shall be rescinded ratably and the purchase price restored as to the portion of such excess payment so recovered, but without interest. Each Bank's ratable share of any such Set-off shall be determined by the proportion that the aggregate amount of Loans then due and payable to such Bank bears to the total aggregate amount of the Loans then due and payable to all the Banks.

SECTION 12.8. NOTICES. Except as otherwise specified herein, all notices hereunder shall be in writing (including cable, telecopy or telex) and shall be given to the relevant party at its address, telecopier number or telex number set forth below, in the case of the Borrower, or on the appropriate signature page hereof, in the case of the Banks and the Agent, or such other address, telecopier number or telex number as such party may hereafter specify by notice to the Agent and the Borrower, given by United States certified or registered mail, by telecopy or by other telecommunication device capable of creating a

written record of such notice and its receipt. Notices hereunder to the Borrower shall be addressed to:

Maytag Corporation
403 West 4th Street, North
Newton, Iowa 50208
Attention: David D. Urbani
Vice President and Treasurer
Telephone: (515) 791-8955
Telecopy: (515) 791-8115

Each such notice, request or other communication shall be effective (i) if given by telecopier, when such telecopy is transmitted to the telecopier number specified in this Section and a confirmation of such telecopy has been received by the sender, (ii) if given by telex, when such telex is transmitted to the telex number specified in this Section and the answerback is received by sender, (iii) if given by mail, five (5) days after such communication is deposited in the mail, certified or registered with return receipt requested, addressed as aforesaid or (iv) if given by any other means, when delivered at the addresses

specified in this Section; PROVIDED THAT any notice given pursuant to Section 1 hereof shall be effective only upon receipt.

SECTION 12.9. COUNTERPARTS. This Agreement may be executed in any number of counterparts, and by the different parties on different counterparts, each of which when executed shall be deemed an original but all such counterparts taken together shall constitute one and the same instrument.

SECTION 12.10. SUCCESSORS AND ASSIGNS. This Agreement shall be binding upon the Borrower and its successors and assigns, and shall inure to the benefit of each of the Banks and the benefit of their respective successors and assigns, including any subsequent holder of any Note. The Borrower may not assign any of its rights or obligations hereunder without the written consent of all of the Banks.

SECTION 12.11. PARTICIPANTS AND NOTE ASSIGNEES. Each Bank shall have the right at its own cost to grant participations (to be evidenced by one or more agreements or certificates of participation) in the Loans made, and/or Commitments held, by such Bank at any time and from time to time, and to assign

its rights under such Loans or the Notes evidencing such Loans to one or more other financial institutions; PROVIDED THAT no such participation or assignment shall relieve any Bank of any of its obligations under this Agreement, and provided further that no such assignee or participant shall have any rights under this Agreement except as provided in this Section 12.11, and the Agent shall have no obligation or responsibility to such participant or assignee, except that nothing herein provided is intended to affect the rights of an assignee of a Note to enforce the Note assigned. Any party to which such a participation or assignment has been granted shall have the benefits of Section 2.7 and Section 10.3 hereof but shall not be entitled to receive any greater payment under either such Section than the Bank granting such participation or assignment would have been entitled to receive with respect to the rights transferred. Any agreement pursuant to which any Bank may grant such a participating interest shall provide that such Bank shall retain the sole right and responsibility to enforce the obligations of the Borrower hereunder including, without limitation, the right to approve any amendment, modification or wavier of any provision of this Agreement; PROVIDED that such participation agreement may provide that such Bank will not agree to any modification, amendment or waiver of this Agreement that would (A) increase any Commitment of such Bank if such increase would also increase the participant's obligations, (B) forgive any amount of or postpone the date for payment of any principal of or interest on any Loan or of any fee payable hereunder in which such participant has an interest or (C) reduce the stated rate at which interest or fees accrue or other amounts payable hereunder in which such participant has an interest.

SECTION 12.12. ASSIGNMENT OF COMMITMENTS BY BANKS. Each Bank shall have the right at any time, with the prior consent of the Borrower and Agent, to sell, assign, transfer or negotiate all or any part of its Commitment to one or more commercial banks or other financial institutions. Upon any such assignment, its notification to the Agent, and the payment of a U.S. $2,500 recordation and administration fee to the Agent (which fee shall in no event be the obligation of the Borrower), the assignee shall become a Bank hereunder, all Loans and the Commitment it thereby holds shall be governed by all the terms and conditions

hereof, and the Bank granting such assignment shall have its Commitment and its obligations and rights in connection therewith, reduced by the amount of such assignment.

SECTION 12.13. AMENDMENTS. Any provision of this Agreement or the Notes may be amended or waived if, but only if, such amendment or waiver is in writing and is signed by (a) the Borrower, (b) the Required Banks, and (c) if the rights or

duties of the Agent are affected thereby, the Agent; PROVIDED THAT:

(i) no amendment or waiver pursuant to this Section shall (A) increase any Commitment of any Bank without the consent of such Bank or (B) forgive any amount of or postpone the date for payment of any principal of or interest on any Loan or of any fee payable hereunder or reduce the stated rate at which interest or fees accrue hereunder without the consent of the Bank to which such payment is owing or which has committed to make such Loan hereunder; and

(ii) no amendment or waiver pursuant to this Section shall, unless signed by each Bank, change the provisions of this Section, the definition of Required Banks or Termination Date, or any condition precedent set forth in Section 7 hereof or the provisions of Sections 9.1.(i), 9.1.(j) or 9.3, or affect the number of Banks required to take any action hereunder.

SECTION 12.14. LEGAL FEES AND INDEMNIFICATION. The Borrower agrees to pay the reasonable fees and disbursements of Chapman and Cutler, counsel to the Agent, in connection with the preparation and execution of this Agreement, and any amendment, waiver or consent related hereto, whether or not the transactions contemplated herein are consummated. The Borrower further agrees to indemnify each Bank, its directors, officers and employees against all losses, claims, damages, penalties, judgments, liabilities and expenses (including, without limitation, all expenses of litigation or preparation therefor whether or not any Bank is a party thereto) which any of them may pay or incur arising out of or relating to this Agreement, any Note, the transactions contemplated hereby or the direct or indirect application or proposed application of the proceeds of any Loan hereunder, other than (i) those which arise from the gross negligence or willful misconduct of the party claiming indemnification or (ii) those covered by another explicit provision hereof or required to be paid by a Bank or Banks hereunder. The obligations of the Borrower under this Section shall survive the termination of this Agreement.

SECTION 12.15. CURRENCY. Each reference in this Agreement to U.S. Dollars or to an Alternative Currency (the "RELEVANT CURRENCY") is of the essence. To the fullest extent permitted by law, the obligation of the Borrower in respect of any amount due in the relevant currency under this Agreement shall, notwithstanding any payment in any other currency (whether pursuant to a judgment or otherwise), be discharged only to the extent of the amount in the relevant currency that the Bank entitled to receive such payment may, in accordance with normal banking procedures, purchase with the sum paid in such other currency (after any premium and costs of exchange) on the Business Day immediately following the day on which such party receives such payment. If the amount in the relevant currency that may be so purchased for any reason falls

short of the amount originally due, the Borrower shall pay such additional amounts, in the relevant currency, as may be necessary to compensate for the shortfall. Any obligations of the Borrower not discharged by such payment shall, to the fullest extent permitted by applicable law, be due as a separate and independent obligation and, until discharged as provided herein, shall continue in full force and effect.

SECTION 12.16. CURRENCY EQUIVALENCE. If for the purposes of obtaining judgment in any court it is necessary to convert a sum due from the Borrower hereunder or under the Notes in the currency expressed to be payable herein or under the Notes (the "SPECIFIED CURRENCY") into another currency, the parties agree that the rate of exchange used shall be that at which in accordance with normal banking procedures the Agent could purchase the specified currency with such other currency on the Business Day preceding that on which final judgment is given. The obligation of the Borrower in respect of any such sum due to any Bank or the Agent hereunder or under any Note shall, notwithstanding any judgment in a currency other than the specified currency, be discharged only to the extent that on the Business Day following receipt by such Bank or the Agent, as applicable, may in accordance with normal banking procedures purchase the specified currency with such other currency. If the amount of the specified currency so purchased is less than the sum originally due to such Bank or the Agent in the specified currency, the Borrower agrees, as a separate obligation and notwithstanding any such judgment, to indemnify such Bank and the Agent against such loss, and if the amount of the specified currency so purchased exceeds the sum of (a) the amount originally due to the applicable Bank or the Agent in the specified currency plus (b) any amounts shared with other Banks as a result of allocations of such excess as a disproportionate payment to such Bank under Section 12.7 hereof, such Bank or the Agent, as the case may be, agrees to remit such excess to the Borrower.

SECTION 12.17. GOVERNING LAW. This Agreement and the Notes, and the rights and duties of the parties hereto, shall be construed and determined in accordance with the laws of the State of Illinois, without regard to conflicts of law doctrine.

SECTION 12.18. TERMINATION OF EXISTING CREDIT AGREEMENT. The Borrower and each of the Banks hereunder that is a party to the Credit Agreement dated as of July 14, 1994 with a scheduled "TERMINATION DATE" of July 13, 1998 (the "EXISTING CREDIT AGREEMENT") among Maytag Corporation, the Banks party thereto, Bank of Montreal, Chicago Branch, as Agent, and Royal Bank of Canada, as Co-Agent, consents to the termination of the "COMMITMENTS" thereunder effective on the date the conditions set forth in Section 7.1 hereof are fulfilled, notwithstanding the notice requirements for such termination set forth in Section 3.6 of the Existing Credit Agreement. Because such Banks hereunder constitute the "REQUIRED BANKS" under the Existing Credit Agreement, the Existing Credit Agreement shall terminate and all amounts payable thereunder,

including accrued and unpaid facility fees payable under Section 4.1 thereof, shall be payable, and the facility fee payable under Section 3.1 hereof shall begin to accrue, on the date this Agreement has been executed by all the parties hereto and the conditions set forth in Section 7.1 hereof have been fulfilled.

SECTION 12.19. HEADINGS. Section headings used in this Agreement are for reference only and shall not affect the construction of this Agreement.

SECTION 12.20. ENTIRE AGREEMENT. This Agreement constitutes the entire understanding of the parties hereto with respect to the subject matter hereof and any prior or contemporaneous agreements, whether written or oral, with respect thereto are superseded hereby.

Upon your acceptance hereof in the manner hereinafter set forth, this Agreement shall be a contract between us for the purposes hereinabove set forth.

Dated as of July 28, 1995.

MAYTAG CORPORATION

By s/s David Urbani
David D. Urbani,
Vice President and Treasurer

Accepted and Agreed to as of the day and year last above written.

Address and Amount of Commitment:

115 S. LaSalle Street
Chicago, Illinois 60603
Telecopy: (312) 750-6057
Telephone: (312) 750-3737
Attention: Lisa S. Donoghue, Director
Commitment: $60,000,000

BANK OF MONTREAL, CHICAGO BRANCH,
in its individual capacity as a Bank and
as Agent

By s/s Jonathan D. Hook
Name Jonathan D. Hook
Title Director

Lending Offices:

Domestic Rate Loans:	115 South LaSalle Street Chicago, Illinois 60603
Eurocurrency Loans:	115 South LaSalle Street Chicago, Illinois 60603

Accepted and Agreed to as of the day and year last above written.

Address and Amount of Commitment:

One North Franklin
Suite 700
Chicago, IL 60606
Telecopy: (312) 551-0805
Telephone: (312) 551-1615
Attention: Molly Drennan, Manager Corporate Banking
Commitment: $50,000,000

ROYAL BANK OF CANADA, in its individual capacity as a Bank and as Co-Agent

By s/s Molly Drennan
Name Molly Drennan
Title Manager, Corporate Banking

Lending Offices:

Domestic Rate Loans: Royal Bank of Canada, New York Branch
Financial Square
New York, New York 10005-3531

Eurocurrency Loans: Royal Bank of Canada, New York Branch
Financial Square
New York, New York 10005-3531

Accepted and Agreed to as of the day and year last above written.

Address and Amount of Commitment:

611 Woodward
Detroit, MI 48226
Telecopy: (313) 225-2649
Telephone: (313) 225-2557
Attention: Thomas A. Levasseur, Vice President
Commitment: $40,000,000

NBD BANK

By s/s Thomas A. Levasseur
Name Thomas A. Levasseur
Title Vice President

Lending Offices:

Domestic Rate Loans: 611 Woodward
Detroit, MI 48226

Eurocurrency Loans: 611 Woodward
Detroit, MI 48226

Accepted and Agreed to as of the day and year last above written.

Address and Amount of Commitment:

127 Public Square
Cleveland, Ohio 44114
Telecopy: (216) 689-4981
Telephone: (216) 689-3176
Attention: Janice M. Cook, Vice President
Commitment: $40,000,000

SOCIETY NATIONAL BANK

By s/s Marianne Meil
Name Marianne T. Meil
Title Assistant Vice President

Lending Offices:

Domestic Rate Loans: 127 Public Square
Cleveland, Ohio 44114

Eurocurrency Loans: 127 Public Square
Cleveland, Ohio 44114

Accepted and Agreed to as of the day and year last above written.

Address and Amount of Commitment:

One First National Plaza
Suite 0088-14
Chicago, Illinois 60670
Telecopy: (312) 732-5161
Telephone: (312) 732-4244
Attention: Susan L. Comstock, Vice President
Commitment: $40,000,000

THE FIRST NATIONAL BANK
OF CHICAGO

By s/s M. Elizabeth Gonzalez
Name M. Elizabeth Gonzalez

Title Assistant Vice President

Lending Offices:

Domestic Rate Loans:	One First National Plaza Suite 0088-14 Chicago, Illinois 60670
Eurocurrency Loans:	One First National Plaza Suite 0088-14 Chicago, Illinois 60670

Accepted and Agreed to as of the day and year last above written.

Address and Amount of Commitment:

233 South Wacker Drive
Suite 4800
Chicago, Illinois 60606
Telecopy: (312) 876-6436
Telephone: (312) 876-6452
Attention: Stephen Flaherty, Assistant
Vice President
Commitment: $40,000,000

THE SUMITOMO BANK, LIMITED,
CHICAGO BRANCH

By s/s H. Iwami
Name Hiroyuki Iwami
Title Joint General Manager

Lending Offices:

Domestic Rate Loans:	233 South Wacker Drive Suite 4800 Chicago, Illinois 60606
Eurocurrency Loans:	233 South Wacker Drive Suite 4800 Chicago, Illinois 60606

Accepted and Agreed to as of the day and year last above written.

Address and Amount of Commitment:

225 West Wacker Drive
Suite 2000
Chicago, Illinois 60606
Telecopy: (312) 621-0539
Telephone: (312) 621-9484
Attention: Stephen P. Peca, Vice President
and Assistant Manager
Commitment: $40,000,000

THE FUJI BANK, LIMITED

By s/s Peter L. Chinnici
Name Peter L. Chinnici
Title Joint General Manager

Lending Offices:

Domestic Rate Loans: 225 West Wacker Drive
Chicago, Illinois 60606

Eurocurrency Loans: 225 West Wacker Drive
Chicago, Illinois 60606

Accepted and Agreed to as of the day and year last above written.

Address and Amount of Commitment:

500 W. Madison Street
Suite 3140
Chicago, IL 60661
Telecopy: (312) 906-3420
Telephone: (312) 906-3425
Attention: Jon Otterberg, Commercial Banking Officer
Commitment: $40,000,000

PNC BANK, NATIONAL ASSOCIATION

By s/s Jon C. Otterberg
Name Jon C. Otterberg
Title Commercial Banking Officer

Lending Offices:

Domestic Rate Loans: 5th Avenue and Wood Street
Pittsburgh, PA 15222

Eurocurrency Loans: 5th Avenue and Wood Street
Pittsburgh, PA 15222

Accepted and Agreed to as of the day and year last above written.

Address and Amount of Commitment:
31 West 52nd Street
New York, New York 10019
Telecopy: (212) 262-1926
Telephone: (212) 468-0559
Attention: Horace Zona III, Director
Corporate Finance
Commitment: $25,000,000

TORONTO DOMINION (TEXAS), INC.

By s/s Diane Bailey
Name Diane Bailey
Title Vice President

Lending Offices:

Domestic Rate Loans:	c/o The Toronto-Dominion Bank 909 Fannin, Suite 1700 Houston, Texas 77010
Eurocurrency Loans:	c/o The Toronto-Dominion Bank 909 Fannin, Suite 1700 Houston, Texas 77010

Accepted and Agreed to as of the day and year last above written.

Address and Amount of Commitment:

1211 Avenue of the Americas
New York, New York 10036
Telecopy: (212) 852-6300
Telephone: (212) 852-6000
Attention: Mr. Craig D. Rockey
Commitment: $25,000,000

WESTDEUTSCHE LANDESBANK
GIROZENTRALE, NEW YORK AND
CAYMAN ISLANDS BRANCHES

By s/s Michael F. McWalters
Name Michael F. McWalters
Title Managing Director

By s/s C. D. Rockey
Name C. D. Rockey
Title Associate

Lending Offices:

Domestic Rate Loans: 1211 Avenue of the Americas
New York, New York 10036

Eurocurrency Loans: 1211 Avenue of the Americas
New York, New York 10036

With a copy to:

Westdeutsche Landesbank
Chicago Representative Office
181 West Madison Street
Chicago, Illinois 60602
Attention: Mr. Mark R. Worley
Telecopy: (312) 553-1609
Telephone: (312) 553-1600

EXHIBIT A

NOTE

_____, 19___

FOR VALUE RECEIVED, the undersigned, Maytag Corporation, a Delaware corporation (the "BORROWER"), promises to pay to the order of _____ (the "BANK") on the Termination Date of the hereinafter defined Credit Agreement, at the principal office of Bank of Montreal, Chicago Branch, in Chicago, Illinois, (or in the case of Eurocurrency Loans denominated in an Alternative Currency, at such office as the Agent has previously notified the Borrower) in the currency of such Loan in accordance with Section 4.1 of the Credit Agreement, the aggregate unpaid principal amount of all Loans made by the Bank to the Borrower pursuant to the Credit Agreement, together with interest on the principal amount of each Loan from time to time outstanding hereunder at the rates, and payable in the manner and on the dates, specified in the Credit Agreement.

The Bank shall record on its books or records or on a schedule attached to this Note, which is a part hereof, each Loan made by it pursuant to the Credit Agreement, together with all payments of principal and interest and the principal balances from time to time outstanding hereon, whether the Loan is a Domestic Rate Loan or a Eurocurrency Loan, the currency thereof and the interest rate and Interest Period applicable thereto, provided that prior to the transfer of this Note all such amounts shall be recorded on a schedule attached to this Note. The record thereof, whether shown on such books or records or on a schedule to this Note, shall be PRIMA FACIE evidence of the same, provided, however, that the failure of the Bank to record any of the foregoing or any error in any such record shall not limit or otherwise affect the obligation of the Borrower to repay all Loans made to it pursuant to the Credit Agreement together with accrued interest thereon.

This Note is one of the Notes referred to in the Credit Agreement dated as of July 28, 1995, among the Borrower, Bank of Montreal, as Agent, and others (the "CREDIT AGREEMENT"), and this Note and the holder hereof are entitled to all the benefits provided for thereby or referred to therein, to which Credit Agreement reference is hereby made for a statement thereof. All defined terms used in this Note, except terms otherwise defined herein, shall have the same meaning as in the Credit Agreement. This Note shall be governed by and construed in accordance with the internal laws of the State of Illinois.

Prepayments may be made hereon and this Note may be declared due prior to the expressed maturity hereof, all in the events, on the terms and in the manner as provided for in the Credit Agreement.

The Borrower hereby waives demand, presentment, protest or notice of any kind hereunder.

Maytag Corporation

By_____
Its_____

EXHIBIT B

SUBSIDIARIES OF MAYTAG CORPORATION AS OF JULY 1, 1995

NAME	JURISDICTION OF INCORPORATION	PERCENTAGE OF OWNERSHIP
Maytag Limited	Ontario	100%
Maytag Financial Services Corp.	Delaware	100%
Dixie Narco Inc.	West Virginia	100%
Master Care Inc.	Illinois	100%
Holland Distributors Inc.	Delaware	100%
Maytag International Inc.	Delaware	100%
Admiral International Corp.	Delaware	100%
Crosley International Inc.	Delaware	100%
Maytag Foreign Sales Corp.	Virgin Islands	100%
Lineset PLC*	England	100%
The Hoover Company	Delaware	100%
Hoover Holdings Inc.	Delaware	100%
Phase IV Products, Inc.	Delaware	100%
Hoover Mexicana S.A. de C.V.	Mexico	100%
Juver Industrial S.A. de C.V.	Mexico	100%
Readylink Limited*	United Kingdom	100%
Hoover Commercial Limitada*	Brazil	100%
Maharashtra Investment Ltd.	Delaware	100%
Maytag International Ltd.*	England	100%
D.N. Holdings, Inc.	Delaware	100%
Maytag Worldwide N.V.	Netherlands Antilles	100%

All Subsidiaries are Consolidated Subsidiaries. All Subsidiaries other than those with an asterisk next to their name are Material Subsidiaries as of July 1, 1995.

EXHIBIT C

July 28, 1995

To each of the Banks parties to
the "CREDIT AGREEMENT" (as defined below),
and to Bank of Montreal, Chicago Branch, as Agent

Re: LOANS TO MAYTAG CORPORATION

Ladies and Gentlemen:

We have acted as counsel to Maytag Corporation, a Delaware corporation (the "BORROWER"), in connection with the $400,000,000 Credit Agreement of even date herewith (the "CREDIT AGREEMENT") among the Borrower, the financial institutions parties thereto (the "BANKS") and Bank of Montreal, Chicago Branch, as Agent, and the transactions contemplated thereby.

This opinion is furnished to you at the request of the Borrower pursuant to Section 7.1(a) of the Credit Agreement. Capitalized terms used herein and not otherwise defined are used as defined in the Credit Agreement.

In connection with this opinion, we have examined originals or copies, certified or otherwise identified to our satisfaction, of the Credit Agreement and the promissory notes delivered on the date hereof to the Banks signatory to the Credit Agreement (the "NOTES").

In rendering the opinions set forth herein, we have also examined originals or copies, certified to our satisfaction, of such (i) certificates of public officials, (ii) certificates of officers and representatives of the Borrower, and (iii) other documents and records, and we have made such inquiries of officers and representatives of the Borrower, as we have deemed relevant or necessary as the basis for such opinions. We have relied as to factual matters upon, and assumed the accuracy of, such certificates, the representations and warranties of the Borrower, made in the Credit Agreement, and other statements, documents and records supplied to us by the Borrower and we have assumed the genuineness of all signatures (other than signatures of officers of the Borrower) and the authenticity of all documents submitted to us as originals and the conformity to original documents of all documents submitted to us as certified or photostatic copies.

In rendering the opinions set forth herein, we have assumed that:

(i) all the parties to the Credit Agreement, other than the Borrower, are duly organized, validly existing, and in good standing under the laws of

their respective jurisdictions of organization and have the requisite corporate power to enter into the Credit Agreement; and

(ii) the execution and delivery of the Credit Agreement have been duly authorized by all necessary corporate action and proceedings on the part of all parties thereto other than the Borrower; the Credit Agreement has been duly executed and delivered by all parties thereto and constitutes the valid and binding obligation of all parties thereto other than the Borrower, enforceable against such parties in accordance with its terms; the terms and provisions of the Credit Agreement do not, and the execution, delivery and performance thereof by each of the parties thereto other than the Borrower will not, violate or conflict with the certificate of incorporation or bylaws of any such party, any contract or indenture to which it is a party or by which it is created or bound, or any law, order or decree of any court, administrative agency or other governmental authority applicable to any such party.

Based upon the foregoing and subject to the qualifications stated herein, we are of the opinion that, as of the date hereof:

1. The Borrower has been duly organized and is validly existing and in good standing under the laws of the State of Delaware. The Borrower has the requisite corporate power and authority to conduct its business as currently conducted.

2. The Borrower has the requisite corporate power and authority to execute, deliver and perform its obligations under the Credit Agreement and the Notes. Such execution, delivery and performance:

(a) have been duly authorized by all necessary and proper corporate action of the Borrower,

(b) do not violate any provision of the certificate of incorporation or by-laws of the Borrower or require any approval of the Borrower's stockholders, and

(c) will not violate any law or regulation of the State of Illinois (including, without limitation, any usury laws) or of the United States of America applicable to the Borrower.

3. The Credit Agreement and the Notes constitute the valid and binding obligations of the Borrower, enforceable in accordance with their respective terms.

4. The Borrower is not an "INVESTMENT COMPANY" registered or required to be registered under the Investment Company Act of 1940, as amended, or, to our knowledge, controlled by such a company.

5. No approval, consent or authorization of, or filing or registration with, any governmental department, agency or instrumentality is necessary for the

Borrower's execution or delivery of the Credit Agreement or the Notes or for the Borrower's performance of any of the terms thereof.

Our opinions above are subject to the following qualifications:

(a) Our opinions relating to validity, binding effect and enforceability in Paragraph 3 above are subject to limitations imposed by any applicable bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium and similar laws affecting creditors' rights generally. In addition, our opinions relating to enforceability in Paragraph 3 above are subject to (i) the effect of general principles of equity (regardless of whether considered in a proceeding in equity or at law) and (ii) limitations imposed by public policy under certain circumstances on the enforceability of provisions indemnifying a party against liability for its own wrongful or negligent acts. In applying principles of equity referred to in clause (i) above, a court, among other things, might not allow a creditor to accelerate maturity of a debt upon the occurrence of a default deemed immaterial. Such principles applied by a court might include a requirement that a creditor act reasonably and in good faith.

(b) Certain provisions of the Credit Agreement may be unenforceable in whole or in part, but the inclusion of such provisions does not affect the validity of the Credit Agreement; however, the unenforceability of such provisions may result in delays in the enforcement of the Agent's and the Banks' rights and remedies under the Credit Agreement (and we express no opinion as to the economic consequences, if any, of such delays).

(c) We express no opinion as to the effect of the compliance or noncompliance of the Agent or any of the Banks with any state or federal laws or regulations applicable to the Agent or any of the Banks because of the Agent's or any of the Banks' legal or regulatory status, the nature of the business of the Agent or any of the Banks or the qualification of any such party to conduct business in any jurisdiction.

The foregoing opinions are limited to the laws of the United States and the State of Illinois and the General Corporation Law of the State of Delaware, and we express no opinion with respect to the laws of any other state or jurisdiction.

Whenever in this opinion reference is made to our knowledge, such reference is to the conscious awareness of Dennis V. Osimitz and Jeffrey S. Rothstein of information regarding factual matters. With respect to such matters, such persons have not, with your express permission and consent, undertaken any investigation or inquiry either of other lawyers, files maintained by the firm, or officers or employees of the Borrower or any of its Subsidiaries. The reference to "CONSCIOUS AWARENESS" as used in this paragraph has the meaning given that phrase in the THIRD-PARTY LEGAL OPINION REPORT, INCLUDING THE LEGAL OPINION ACCORD, OF THE SECTION OF BUSINESS LAW, AMERICAN BAR ASSOCIATION, 47 Bus. Law. 167, 192 (1991).

The opinions expressed herein are being delivered to you as of the date hereof and are solely for your benefit in connection with the transactions contemplated in the Credit Agreement and may not be relied on in any manner or for any purpose by any other person, nor any copies published, communicated or otherwise made available in whole or in part to any other person or entity without our express prior written consent, except that you may furnish copies thereof to any party that becomes a Bank after the date hereof pursuant to the Credit Agreement. We do not express any opinion, either implicitly or otherwise, on any issue not expressly addressed in numbered Paragraphs 1 through 5. The opinions expressed above are based solely on facts, laws and regulations existing or in effect on the date hereof, and we assume no obligation to revise or supplement this opinion should such facts change or should such laws or regulations be changed by legislative or regulatory action, judicial decision or otherwise, notwithstanding that such changes may affect the legal analysis or conclusions contained herein.

Very truly yours,

EXHIBIT D

July 28, 1995

To each of the Banks parties to
the "CREDIT AGREEMENT" (as defined below),
and to Bank of Montreal, as Agent

Re: LOANS TO MAYTAG CORPORATION

Ladies and Gentlemen:

I am Vice President and General Counsel of Maytag Corporation, a Delaware corporation (the "BORROWER"). I am familiar with the $400,000,000 Credit Agreement of even date herewith (the "CREDIT AGREEMENT") among the Borrower, the financial institutions parties thereto (the "BANKS") and Bank of Montreal, as Agent, and the transactions contemplated thereby.

This opinion is furnished to you at the request of the Borrower pursuant to Section 7.1(a) of the Credit Agreement. Capitalized terms used herein and not otherwise defined are used as defined in the Credit Agreement.

In connection with this opinion, I have examined originals or copies, certified or otherwise identified to my satisfaction, of the Credit Agreement and the promissory notes delivered on the date hereof to the Banks signatory to the Credit Agreement (the "NOTES").

In rendering the opinions set forth herein, I have also examined originals or copies, certified to my satisfaction, of such (i) certificates of public officials, (ii) certificates of officers and representatives of the Borrower, and (iii) other documents and records, and I have made such inquiries of officers and representatives of the Borrower, as I have deemed relevant or necessary as the basis for such opinions. I have relied as to factual matters upon, and assumed the accuracy of, such certificates and other statements, documents and records supplied to me by the Borrower and I have assumed the genuineness of all signatures (other than signatures of officers of the Borrower) and the authenticity of all documents submitted to me as originals and the conformity to original documents of all documents submitted to me as certified or photostatic copies.

Based upon the foregoing and subject to the qualifications stated herein, I am of the opinion that, as of the date hereof:

1. The Borrower has the requisite corporate power and authority to execute, deliver and perform its obligations under the Credit Agreement and the Notes. Such execution, delivery and performance:

(a) have been duly authorized by all necessary and proper corporate action of the Borrower,

(b) do not violate any provision of the certificate of incorporation or by-laws of the Borrower or require any approval of the Borrower's stockholders, and

(c) to my knowledge, do not violate any material indenture or agreement to which the Borrower is a party or by which it is bound or any provision of any judgment or decree applicable to the Borrower.

2. There is no litigation or governmental proceeding pending or, to my knowledge, threatened, against the Borrower or any Subsidiary which could reasonably be expected to (i) materially adversely affect the business and

properties of the Borrower and its Subsidiaries on a consolidated basis or (ii) impair the validity or enforceability of the Credit Agreement or the Notes or materially impair the ability of the Borrower to perform its obligations under the Credit Agreement or the Notes.

3. The Credit Agreement and the Notes have been duly executed and delivered by a duly authorized officer of the Borrower.

The foregoing opinions are limited to the laws of the United States and the State of Iowa, and the General Corporation Law of the State of Delaware, and I express no opinion with respect to the laws of any other state or jurisdiction.

The opinions expressed herein are being delivered to you as of the date hereof and are solely for your benefit in connection with the transactions contemplated in the Credit Agreement and may not be relied on in any manner or for any purpose by any other person, nor any copies published, communicated or otherwise made available in whole or in part to any other person or entity without my express prior written consent, except that you may furnish copies thereof to any party that becomes a Bank after the date hereof pursuant to the Credit Agreement. I do not express any opinion, either implicitly or otherwise, on any issue not expressly addressed in numbered Paragraphs 1, 2 and 3. The opinions expressed above are based solely on facts, laws and regulations existing or in effect on the date hereof, and I assume no obligation to revise or supplement this opinion should such facts change or should such laws or regulations be changed by legislative or regulatory action, judicial decision or otherwise, notwithstanding that such changes may affect the legal analysis or conclusions contained herein.

Very truly yours,

EXHIBIT E

COMPLIANCE CERTIFICATE

This Compliance Certificate is furnished to Bank of Montreal as Agent pursuant to that certain Credit Agreement dated as of July 28, 1995 by and among Maytag Corporation (the "BORROWER"), the Banks party thereto, and Bank of Montreal, as Agent (the "CREDIT AGREEMENT"). Unless otherwise defined herein, the terms used in this Compliance Certificate have the meanings ascribed thereto in the Credit Agreement.

THE UNDERSIGNED ON BEHALF OF THE BORROWER HEREBY CERTIFIES THAT:

1. I am the duly elected treasurer of the Borrower;

2. I have reviewed or caused to be reviewed the terms of the Credit Agreement and I have made or have caused to be made under my supervision, a detailed review of the transactions and conditions of the Borrower during the accounting period covered by the attached financial statements;

3. The examinations described in paragraph 2 did not disclose, and I have no knowledge of, the existence of any condition or the occurrence of any event which constitutes a Default or Event of Default during or at the end of the accounting period covered by the attached financial statements or as of the date of this Certificate, except as set forth below;

4. The representations and warranties contained in Section 6 of the Credit Agreement are true and correct as though made on the date hereof, except as set forth below;

5. The Borrower is in compliance with all covenants contained in Section 8 of the Credit Agreement, except as set forth below.

6. The Attachment hereto sets forth financial data and computations evidencing the Borrower's compliance with certain covenants of the Credit Agreement, all of which data and computations are, to the best of my knowledge, true, complete and correct and have been made in accordance with the relevant Sections of the Credit Agreement.

Described below are the exceptions, if any, to paragraphs 3, 4 and 5 by listing, in detail, the nature of the condition or event, the period during which it has existed and the action the Borrower has taken, is taking, or proposes to take with respect to each such condition or event:

_____

_____

_____

_____

The foregoing certifications, together with the computations set forth in the Attachment hereto and the financial statements delivered with this Certificate in support hereof, are made and delivered this _____ day of_____

19__ .

Maytag Corporation

By_____
Its Treasurer

Attachment To Compliance Certificate
Compliance Calculations for Credit Agreement
Dated as of July 28, 1995

Calculations as of _____, 19__

A. LEVERAGE RATIO (SECTION 8.6)

1. Consolidated Indebtedness	$_____
2. Consolidated Net Worth of the Borrower	$_____
3. Sum of Lines 1 and 2	$_____
4. Ratio of Line 1 to 3 (Line 4 Ratio must be equal to or less than .55:1.00)	_____:1.00

B. INTEREST COVERAGE RATIO (SECTION 8.7)

1. Consolidated Income Before Interest and Taxes	$_____
2. Consolidated Interest Expense	$_____
3. Ratio of Line 1 to 2 (Line 3 Ratio must be equal to or greater than 2.50 to 1.00)	_____1.00

MAYTAG CORPORATION

Exhibit 10(b)

Executive Severance Agreements.

The following executives are covered under this severance agreement:

1. Robert W. Downing
2. Mark A. Garth
3. Brian A. Girdlestone
4. Edward H. Graham
5. Leonard A. Hadley
6. Richard J. Haines
7. Donald M. Lorton
8. Carl R. Moe
9. Jon O. Nicholas
10. Jerry K. Rinehart
11. Carl F. Zacheis

EXECUTIVE SEVERANCE AGREEMENT

THIS AGREEMENT is made the __th day of _____, 19__, by and between Maytag Corporation, a Delaware corporation (the "Company"), and _____ (the "Executive").

RECITALS

A. The Board of Directors of the Company has approved the Company entering into severance agreements with such executives of the Company and its subsidiaries as is determined by the Chairman and Chief Executive Officer.

B. Pursuant to such agreement, the Company has heretofore entered into an Executive Severance Agreement with the Executive dated _____.

C. Should the Company receive or learn of any proposal by a third person about a possible business combination with the Company or the acquisition of its equity securities, the Board considers it imperative that the Company be able to rely upon the Executive to continue in his or her position. This to the end that the Company be able to receive and rely upon the Executive's advice concerning the best interests of the Company and its stockholders, without concern that person might be distracted by the personal uncertainties and risks created by such a proposal.

D. Should the Company receive any such proposals, in addition to the Executive's regular duties, he or she may be called upon to assist in the assessment of such proposals, advise management and the Board as to whether such proposals would be in the best interests of the Company and its stockholders, and to take such other actions as the Board might determine to be appropriate.

AGREEMENT

NOW, THEREFORE, to assure the Company that it will have the continued dedication of the Executive and the availability of that person's advice and counsel notwithstanding the possibility, threat or occurrence of a bid to take over control of the Company, and to induce the Executive to remain in the employ of the Company, and for other good and valuable consideration, the Company and the Executive agree that the Executive Severance Agreement described above be amended and restated in its entirety as follows:

A. Should a third person, in order to effect a change of control (as defined), begin a tender or exchange offer, circulate a proxy to stockholders or

take other steps, the Executive agrees that he or she will not voluntarily leave the employ of the Company, and will render the services contemplated in the recitals to this agreement, until the third person has abandoned or terminated his efforts to effect a change of control or until a change of control has occurred.

B. Should the Executive's employment with the Company or its subsidiaries terminate for any reason (either voluntary or involuntary, other than because of death, disability or normal retirement) within three (3) years after a change of control of the Company the following will be provided:

1. Lump Sum Cash Payment. On or before the Executive's last day of employment with the Company or its subsidiaries, or as soon thereafter as possible, the Company will pay to the Executive as compensation for services rendered, a lump sum cash amount (subject to the usual withholding taxes) equal to (A) three times the sum of (1) the Executive's annual salary at the rate in effect immediately prior to the change of control and (2) the maximum annual incentive bonus opportunity provided by the Plan and any discretionary bonus declared for the year in which the change of control occurred, or the preceding year if not established plus (B) an amount equal to the compensation (at the Executive's rate of pay in effect immediately prior to the change of control) payable for any period for which the Executive could have, immediately prior to the date of his termination of employment, been on vacation and received such compensation, for unused and accrued vacation benefits determined under the Company's vacation pay plan or program covering the Executive immediately prior to the change of control. If the time from the Executive's last day of employment with the Company or its subsidiaries to the Executive's 65th birthday is less than 36 months, there shall be a proportionate reduction of the payment computed under clause (A) of the preceding sentence.

2. Salaried and Supplemental Executive Retirement Plans. The Executive shall be paid a monthly retirement benefit, in addition to any benefits received under the Salaried Retirement Plans maintained by the Company or its subsidiaries, including The Maytag Corporation Salaried Retirement Plan and any Supplemental Executive Retirement Plan, such benefit to commence on the first to occur of (a) the commencement of payment of benefits under the Maytag Corporation Salaried Retirement Plan or (b) attainment of age 65, but not prior to three (3) years following the date of termination of employment or age 65, whichever first occurs, such benefit to be an amount equal to the excess of (i) the aggregate benefits under such Salaried Retirement Plans to which the Executive would be entitled if he or she remained employed by the Company or its subsidiaries, for an additional period of three (3) years or until his or her 65th birthday, whichever is earlier, at the rate of annual compensation

specified herein; over (ii) the benefits to which the Executive is actually entitled under such Salaried Retirement Plans.

3. Life, Dental, Vision, Health and Long Term Disability Coverage. The Executive's participation in, and entitlement to, benefits under: (i) the life insurance plan of the Company; (ii) all the health insurance plan or plans of the Company or its subsidiaries, including but not limited to those providing major medical and hospitalization benefits, dental benefits and vision benefits; and (iii) the Company's long-term disability plan or plans; as all such plans existed immediately prior to the change of control shall continue as though he or she remained employed by the Corporation or its subsidiaries for an additional period of three (3) years or until the obtainment of such coverages with another employer, whichever is earlier. To the extent such participation or entitlement is not possible for any reason whatsoever, equivalent benefits shall be provided.

4. Participation in Employee Benefit Plans. After termination of employment, the Executive shall continue to participate in the Salaried Retirement Plans as contemplated above. The Executive's participation in any other savings, capital accumulation, retirement, incentive compensation, profit sharing, stock option, and/or stock appreciation rights plans of the Company or any of its subsidiaries shall continue only through the last day of his or her employment. Any terminating distributions and/or vested rights under such plans shall be governed by the terms of those respective plans. Furthermore, the Executive's participation in any insurance plans of the Company and rights to any other fringe benefits shall, except as otherwise specifically provided in

such plans or Company policy, terminate as of the close of the Executive's last day of employment, except to the extent specifically provided to the contrary in this agreement.

5. Incentive Plans. In addition to the payments required by paragraph 1 of this Section, the Company shall pay to the Executive as compensation for services rendered cash in an amount equal to the maximum amount which could be payable to the Executive under any and all incentive compensation plans in which the Executive is a participant or under which the Executive holds any outstanding award as of the day prior to the change of control. To the extent that any such award is represented by restricted shares of stock of the Company, the Executive's such cash payment shall include an amount equal to the aggregate value of such shares determined as of the day of the change of control. Any payment due pursuant to this paragraph 5 shall be paid at the same time as the amount payable pursuant to paragraph 1 of this Section.

6. Reimbursement for Loss on Sale of Principal Residence. If on the date of the change of control the Executive shall own a private residence within Jasper County, Iowa (the "Executive's residence"), the Executive shall be paid an amount equal to the excess, if any, of the amount by which the greater of (i)

the "aggregate purchase price" (as defined below) of the Executive's residence and (ii) the "change of control market value" (as defined below) of the Executive's residence, over the amount realized by the Executive upon the sale of such residence. Any amount payable to the Executive under this agreement shall be paid to the Executive on the date on which the Executive's residence is sold in a bona fide transaction with an unrelated party. Notwithstanding the foregoing, if the Executive's residence shall not be sold within 6 months after the date on which the Executive's residence is first offered for sale, the Company shall purchase the Executive's residence from the Executive for a cash amount equal to the "change of control market value" of the Executive's residence. For purposes of this paragraph, the "aggregate purchase price" of the Executive's residence shall be the sum of the amount paid therefor plus the cost of any significant repairs such as the cost of siding, or roof repair or maintenance, incurred within the 5 year period ending on the date on which a change of control occurs, plus the cost of any improvements to such residence made by the Executive, the "amount realized" upon the sale of such residence shall be the net amount, after deduction for brokers' fees, title charges, transfer taxes and similar items, realized by the Executive upon the sale of the Executive residence and "change of control market value" shall mean the value of the Executive's residence on the date on which the change of control occurred, as determined by an independent appraiser selected by the Executive. The fees and expenses of such appraiser shall be paid by the Company.

7. Excise Tax-Additional Payment. (a) Notwithstanding anything in this agreement or any written or unwritten policy of the Company or its subsidiaries to the contrary, (i) if it shall be determined that any payment or distribution by the Company or its subsidiaries to or for the benefit of the Executive, whether paid or payable or distributed or distributable pursuant to the terms of this agreement, any other agreement between the Company or its subsidiaries and the Executive or otherwise (a "Payment"), would be subject to the excise tax imposed by section 4999 of the Internal Revenue Code of 1986, as amended, (the "Code") or any interest or penalties with respect to such excise tax (such excise tax, together with any such interest and penalties, are hereinafter collectively referred to as the "Excise Tax"), or (ii) if the Executive shall otherwise become obligated to pay the Excise Tax in respect of a Payment, then the Company shall pay to the Executive an additional payment (a "Gross-Up Payment") in an amount such that after payment by the Executive of all taxes (including any interest or penalties imposed with respect to such taxes),

including any Excise Tax, imposed upon the Gross-Up Payment, the Executive retains an amount of the Gross-Up Payment equal to the Excise Tax imposed upon such Payment.

(b) All determinations and computations required to be made under this paragraph B5, including whether a Gross-Up Payment is required under clause (ii) of paragraph B7(a) above, and the amount of any Gross-Up Payment, shall be made by the Company's regularly engaged independent certified public accountants (the

"Accounting Firm"). The Company shall cause the Accounting Firm to provide detailed supporting calculations both to the Company and the Executive within 15 business days after such determination or computation is requested by the Executive. Any initial Gross-Up Payment determined pursuant to this paragraph B7 shall be paid by the Company or the subsidiary to the Executive within 5 days of the receipt of the Accounting Firm's determination. A determination that no Excise Tax is payable by the Executive shall not be valid or binding unless accompanied by a written opinion of the Accounting Firm to the Executive that the Executive has substantial authority not to report any Excise Tax on his federal income tax return. Any determination by the Accounting Firm shall be binding upon the Company, its subsidiaries and the Executive, except to the extent the Executive becomes obligated to pay an Excise Tax in respect of a Payment. In the event that the Company or the subsidiary exhausts or waives its remedies pursuant to subparagraph 7B(c) and the Executive thereafter shall become obligated to make a payment of any Excise Tax, and if the amount thereof shall exceed the amount, if any, of any Excise Tax computed by the Accounting Firm pursuant to this subparagraph (b) in respect to which an initial Gross-Up Payment was made to the Executive, the Accounting Firm shall within 15 days after Notice thereof determine the amount of such excess Excise Tax and the amount of the additional Gross-Up Payment to the Executive. All expenses and fees of the Accounting Firm incurred by reason of this paragraph B7 shall be paid by the Company.

(c) The Executive shall notify the Company in writing of any claim by the Internal Revenue Service that, if successful, would require the payment by the Company of a Gross-Up Payment. Such notification shall be given as soon as practicable but no later than ten business days after the Executive knows of such claim and shall apprise the Company of the nature of such claim and the date on which such claim is requested to be paid. The Executive shall not pay such claim prior to the expiration of the thirty-day period following the date on which it gives such notice to the Company (or such shorter period ending on the date that any payment of taxes with respect to such claim is due). If the Company notifies the Executive in writing prior to the expiration of such period that it desires to contest such claim, the Executive shall:

(i) give the Company any information reasonably requested relating to such claim,

(ii) take such action in connection with contesting such claim as the Company shall reasonably request in writing from time to time, including, without limitation, accepting legal representation with respect to such claim by an attorney reasonably selected by the Company,

(iii) cooperate with the Company in good faith in order effectively to contest such claim,

(iv) permit the Company to participate in any proceedings relating to such claim;

provided, however, that the Company shall bear and pay directly all costs and expenses (including additional interest and penalties) incurred in connection with such contest and shall indemnify and hold the Executive harmless, on an after-tax basis, for any Excise Tax or income tax, including interest and penalties with respect thereto, imposed as a result of such representation and payment of costs and expenses. Without limitation on the foregoing provisions of this subparagraph B7(c), the Company shall control all proceedings taken in connection with such contest and, at its sole option, may pursue or forgo any and all administrative appeals, proceedings, hearings and conferences with the taxing authority in respect of such claim and may, at its sole option, either direct the Executive to pay the tax claimed and sue for a refund or contest the claim in any permissible manner, and the Executive agrees to prosecute such contest to a determination before any administrative tribunal, in a court of initial jurisdiction and in one or more appellate courts, as the Company or the subsidiary shall determine; provided, however, that if the Company or the subsidiary directs the Executive to pay such claim and sue for a refund, the Company or the subsidiary shall advance the amount of such payment to the Executive, on an interest-free basis and shall indemnify and hold the Executive harmless, on an after-tax basis, from any Excise Tax or income tax, including interest or penalties with respect thereto, imposed with respect to such advance or with respect to any imputed income with respect to such advance; and further provided, that any extension of the statue of limitations relating to payment of taxes for the taxable year of the Executive with respect to which such contested amount is claimed to be due is limited solely to such contested amount. Furthermore, control of the contest by the Company or the subsidiary shall be limited to issues with respect to which a Gross-Up Payment would be payable hereunder and the Executive shall be entitled to settle or contest, as the case may be, any other issue raised by the Internal Revenue Service or any other taxing authority.

(d) If, after the receipt by the Executive of an amount advanced by the Company or the subsidiary pursuant to subparagraph B7(c), the Executive becomes entitled to receive any refund with respect to such claim, the Executive shall (subject to compliance with the requirements of paragraph B7 by the Company or the subsidiary) promptly pay to the Company or the subsidiary the amount of such refund (together with any interest paid or credited thereon after taxes applicable thereto). If, after the receipt by the Executive of an amount advanced by the Company or the subsidiary pursuant to subparagraph B7(c), a determination is made that the Executive shall not be entitled to any refund with respect to such claim and the Company does not notify the Executive in writing of its intent to contest such denial of refund prior to the expiration of thirty days after such determination, then such advance shall be forgiven and shall not be required to be repaid and the amount of such advance shall off-set, to the extent thereof, the amount of Gross-Up Payment required to be paid.

C. Definitions.

1. Change of Control. For purposes of this Agreement, a "change of control" shall occur when (i) any person, either individually or together with such persons' affiliates or associates (other than any employee benefit plan of the Company or any subsidiary of the Company, or any entity holding shares of the Company stock, for or pursuant to the terms of any such plan), shall have become the beneficial owner, directly or indirectly, of shares of the Company having 20% or more of the total number of votes that may be cast for the election of directors of the Company and there shall have been a public announcement of such occurrence by the Company or such persons or (ii) individuals who shall qualify as continuing directors (as defined below) shall have ceased for any reason to constitute at least a majority of the Board of

Directors of the Company. "Continuing director" shall mean any member of the Board of Directors of the Company, while such person is a member of such Board of Directors, who is not an affiliate or associate of an acquiring person (as defined below) or of any such acquiring person's affiliate or associate and was a member of such Board of Directors prior to the time when such acquiring person shall have become an acquiring person, and any successor of a continuing director, while such successor is a member of such Board of Directors, who is not an acquiring person or a representative or nominee of an acquiring person or of any affiliate or associate of such acquiring person and is recommended or elected to succeed the continuing director by a majority of the continuing directors. "Acquiring person" shall mean any person or group of affiliates or associates (as such terms are defined on February 1, 1987 in Rule 12b-2 of the General Rules and Regulations under the Securities Exchange Act of 1934, as amended, other than any employee benefit plan of the Company or any subsidiary of the Company, or any entity holding shares of Company stock for or pursuant to the terms of any such plan), who is or becomes the beneficial owner, directly or indirectly, of 20% or more of the shares of the Company, having 20% or more of the total number of votes that may be cast for the election of directors of the Company.

2. Subsidiary. For purposes of this agreement, a "Subsidiary" shall mean any domestic or foreign corporation at least 20% of whose shares normally entitled to vote in electing directors is owned directly or indirectly by the Company or by other subsidiaries.

D. General Provisions.

1. No Guaranty of Employment. Nothing in this agreement shall be deemed to entitle the Executive to continued employment with the Company or its subsidiaries, and the rights of the Company to terminate the employment of the Executive shall continue as fully as if this agreement were not in effect, provided that any such termination of employment within three (3) years following a change of control shall entitle the Executive to the benefits herein provided.

2. Confidentiality. The Executive shall retain in confidence any confidential information known to him concerning the Company and its business so long as such information is not publicly disclosed.

3. Payment Obligation Absolute. The Company's obligation to pay the Executive the compensation and to make the arrangements provided herein shall be absolute and unconditional and shall not be affected by any circumstances, including without limitation, any set-off, counterclaim, recoupment, defense or other right which the Company may have against him, her or anyone else. All amounts payable by the Company hereunder shall be paid without notice or demand. The Company waives all rights which it may now have or may hereafter have conferred upon it, by statute or otherwise, to terminate, cancel or rescind this agreement in whole or in part. Each and every payment made hereunder by the Company shall be final and the Company shall not seek to recover all or any part of such payment from the Executive or from whoever may be entitled thereto, for any reason whatsoever.

4. Indemnification. If litigation shall be brought to enforce or interpret any provision contained herein, the Company hereby indemnifies the Executive for his or her reasonable attorney's fees and disbursements incurred in such litigation, and hereby agrees to pay prejudgment interest on any money judgment obtained by the Executive calculated by using the prevailing prime

interest rate on the date that payment(s) to him or her should have been made under this agreement.

5. Successors. This agreement shall be binding upon and inure to the benefit of the Executive and his or her estate, and the Company and any successor of the Company, but neither this agreement nor any rights arising hereunder may be assigned or pledged by the Executive.

6. Severability. Any provision in this agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective only to the extent of such prohibition or unenforceability without invalidating or affecting the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

7. Controlling Law. This agreement shall in all respects be governed by, and construed in accordance with, the laws of the State of Delaware.

IN WITNESS WHEREOF, the parties have executed this agreement on the date set out above.

MAYTAG CORPORATION

By _____

_____
Executive

The following executives are covered under this severance agreement:

1. Tom A. Briatico

2. Frederick P. Foltz

3. Nelson E. Wooldridge

EXECUTIVE SEVERANCE AGREEMENT

THIS AGREEMENT is made the ___ day of _____, 1994, by and between Maytag Corporation, a Delaware corporation (the "Company"), and _____ (the "Executive").

RECITALS

A. The Board of Directors of the Company has approved the Company entering into severance agreements with such executives of the Company and its subsidiaries as is determined by the Chairman and Chief Executive Officer.

B. Should the Company receive or learn of any proposal by a third person about a possible business combination with the Company or the acquisition of its equity securities, the Board considers it imperative that the Company be able to rely upon the Executive to continue in his or her position. This to the end that the Company be able to receive and rely upon the Executive's advice concerning the best interests of the Company and its stockholders, without concern that person might be distracted by the personal uncertainties and risks created by such a proposal.

C. Should the Company receive any such proposals, in addition to the

Executive's regular duties, he or she may be called upon to assist in the assessment of such proposals, advise management and the Board as to whether such proposals would be in the best interests of the Company and its stockholders, and to take such other actions as the Board might determine to be appropriate.

AGREEMENT

NOW, THEREFORE, to assure the Company that it will have the continued dedication of the Executive and the availability of that person's advice and counsel notwithstanding the possibility, threat or occurrence of a bid to take over control of the Company, and to induce the Executive to remain in the employ of the Company, and for other good and valuable consideration, the Company and the Executive agree that the Executive Severance Agreement described above be amended and restated in its entirety as follows:

A. Should a third person, in order to effect a change of control (as defined), begin a tender or exchange offer, circulate a proxy to stockholders or take other steps, the Executive agrees that he or she will not voluntarily leave the employ of the Company, and will render the services contemplated in the recitals to this agreement, until the third person has abandoned or terminated his efforts to effect a change of control or until a change of control has occurred.

B. Should the Executive's employment with the Company or its subsidiaries terminate for any reason (either voluntary or involuntary, other than because of death, disability or normal retirement) within three (3) years after a change of control of the Company the following will be provided:

1. Lump Sum Cash Payment. On or before the Executive's last day of employment with the Company or its subsidiaries, or as soon thereafter as possible, the Company will pay to the Executive as compensation for services rendered, a lump sum cash amount (subject to the usual withholding taxes) equal to (A) two times the sum of (1) the Executive's annual salary at the rate in effect immediately prior to the change of control and (2) the maximum annual

incentive bonus opportunity provided by the Plan and any discretionary bonus declared for the year in which the change of control occurred, or the preceding year if not established plus (B) an amount equal to the compensation (at the Executive's rate of pay in effect immediately prior to the change of control) payable for any period for which the Executive could have, immediately prior to the date of his termination of employment, been on vacation and received such compensation, for unused and accrued vacation benefits determined under the Company's vacation pay plan or program covering the Executive immediately prior to the change of control. If the time from the Executive's last day of employment with the Company or its subsidiaries to the Executive's 65th birthday is less than 36 months, there shall be a proportionate reduction of the payment computed under clause (A) of the preceding sentence.

2. Salaried and Supplemental Executive Retirement Plans. The Executive shall be paid a monthly retirement benefit, in addition to any benefits received under the Salaried Retirement Plans maintained by the Company or its subsidiaries, including The Maytag Corporation Salaried Retirement Plan and any Supplemental Executive Retirement Plan, such benefit to commence on the first to occur of (a) the commencement of payment of benefits under the Maytag Corporation Salaried Retirement Plan or (b) attainment of age 65, but not prior to three (3) years following the date of termination of employment or age 65, whichever first occurs, such benefit to be an amount equal to the excess of (i) the aggregate benefits under such Salaried Retirement Plans to which the Executive would be entitled if he or she remained employed by the Company or its subsidiaries, for an additional period of three (3) years or until his or her 65th birthday, whichever is earlier, at the rate of annual compensation specified herein; over (ii) the benefits to which the Executive is actually entitled under such Salaried Retirement Plans.

3. Life, Dental, Vision, Health and Long Term Disability Coverage. The Executive's participation in, and entitlement to, benefits under: (i) the life insurance plan of the Company; (ii) all the health insurance plan or plans of the Company or its subsidiaries, including but not limited to those providing major medical and hospitalization benefits, dental benefits and vision benefits; and (iii) the Company's long-term disability plan or plans; as all such plans existed immediately prior to the change of control shall continue as though he or she remained employed by the Corporation or its subsidiaries for an additional period of three (3) years or until the obtainment of such coverages with another employer, whichever is earlier. To the extent such participation or entitlement is not possible for any reason whatsoever, equivalent benefits shall be provided.

4. Participation in Employee Benefit Plans. After termination of em-ployment, the Executive shall continue to participate in the Salaried Retirement Plans as contemplated above. The Executive's participation in any other savings, capital accumulation, retirement, incentive compensation, profit sharing, stock option, and/or stock appreciation rights plans of the Company or any of its subsidiaries shall continue only through the last day of his or her employment. Any terminating distributions and/or vested rights under such plans shall be governed by the terms of those respective plans. Furthermore, the Executive's participation in any insurance plans of the Company and rights to any other fringe benefits shall, except as otherwise specifically provided in such plans or Company policy, terminate as of the close of the Executive's last day of employment, except to the extent specifically provided to the contrary in this agreement.

5. Incentive Plans. In addition to the payments required by paragraph 1 of this Section, the Company shall pay to the Executive as compensation for

services rendered cash in an amount equal to the maximum amount which could be payable to the Executive under any and all incentive compensation plans in which the Executive is a participant or under which the Executive holds any outstanding award as of the day prior to the change of control. To the extent that any such award is represented by restricted shares of stock of the Company, the Executive's such cash payment shall include an amount equal to the aggregate value of such shares determined as of the day of the change of control. Any payment due pursuant to this paragraph 5 shall be paid at the same time as the amount payable pursuant to paragraph 1 of this Section.

6. Reimbursement for Loss on Sale of Principal Residence. If on the date of the change of control the Executive shall own a private residence within Jasper County, Iowa (the "Executive's residence"), the Executive shall be paid an amount equal to the excess, if any, of the amount by which the greater of (i) the "aggregate purchase price" (as defined below) of the Executive's residence and (ii) the "change of control market value" (as defined below) of the Executive's residence, over the amount realized by the Executive upon the sale of such residence. Any amount payable to the Executive under this agreement shall be paid to the Executive on the date on which the Executive's residence is sold in a bona fide transaction with an unrelated party. Notwithstanding the foregoing, if the Executive's residence shall not be sold within 6 months after the date on which the Executive's residence is first offered for sale, the Company shall purchase the Executive's residence from the Executive for a cash amount equal to the "change of control market value" of the Executive's residence. For purposes of this paragraph, the "aggregate purchase price" of the Executive's residence shall be the sum of the amount paid therefor plus the cost of any significant repairs such as the cost of siding, or roof repair or maintenance, incurred within the 5 year period ending on the date on which a change of control occurs, plus the cost of any improvements to such residence made by the Executive, the "amount realized" upon the sale of such residence shall be the net amount, after deduction for brokers' fees, title charges, transfer taxes and similar items, realized by the Executive upon the sale of the Executive residence and "change of control market value" shall mean the value of the Executive's residence on the date on which the change of control occurred, as determined by an independent appraiser selected by the Executive. The fees and expenses of such appraiser shall be paid by the Company.

7. Excise Tax-Additional Payment. (a) Notwithstanding anything in this agreement or any written or unwritten policy of the Company or its subsidiaries to the contrary, (i) if it shall be determined that any payment or distribution by the Company or its subsidiaries to or for the benefit of the Executive, whether paid or payable or distributed or distributable pursuant to the terms of this agreement, any other agreement between the Company or its subsidiaries and the Executive or otherwise (a "Payment"), would be subject to the excise tax imposed by section 4999 of the Internal Revenue Code of 1986, as amended, (the "Code") or any interest or penalties with respect to such excise tax (such excise tax, together with any such interest and penalties, are hereinafter collectively referred to as the "Excise Tax"), or (ii) if the Executive shall otherwise become obligated to pay the Excise Tax in respect of a Payment, then the Company shall pay to the Executive an additional payment (a "Gross-Up Payment") in an amount such that after payment by the Executive of all taxes

(including any interest or penalties imposed with respect to such taxes), including any Excise Tax, imposed upon the Gross-Up Payment, the Executive retains an amount of the Gross-Up Payment equal to the Excise Tax imposed upon such Payment.

(b) All determinations and computations required to be made under this paragraph B5, including whether a Gross-Up Payment is required under clause (ii) of paragraph B7(a) above, and the amount of any Gross-Up Payment, shall be made by the Company's regularly engaged independent certified public accountants (the "Accounting Firm"). The Company shall cause the Accounting Firm to provide detailed supporting calculations both to the Company and the Executive within 15 business days after such determination or computation is requested by the Executive. Any initial Gross-Up Payment determined pursuant to this paragraph B7 shall be paid by the Company or the subsidiary to the Executive within 5 days of the receipt of the Accounting Firm's deter-mination. A determination that no Excise Tax is payable by the Executive shall not be valid or binding unless accompanied by a written opinion of the Accounting Firm to the Executive that the Executive has substantial authority not to report any Excise Tax on his federal income tax return. Any deter-mination by the Accounting Firm shall be binding upon the Company, its subsidiaries and the Executive, except to the extent the Executive becomes obligated to pay an Excise Tax in respect of a Payment. In the event that the Company or the subsidiary exhausts or waives its remedies pursuant to subparagraph 7B(c) and the Executive thereafter shall become obligated to make a payment of any Excise Tax, and if the amount thereof shall exceed the amount, if any, of any Excise Tax computed by the Accounting Firm pursuant to this subparagraph (b) in respect to which an initial Gross-Up Payment was made to the Executive, the Accounting Firm shall within 15 days after Notice thereof determine the amount of such excess Excise Tax and the amount of the additional Gross-Up Payment to the Executive. All expenses and fees of the Accounting Firm incurred by reason of this paragraph B7 shall be paid by the Company.

(c) The Executive shall notify the Company in writing of any claim by the Internal Revenue Service that, if successful, would require the payment by the Company of a Gross-Up Payment. Such notification shall be given as soon as practicable but no later than ten business days after the Executive knows of such claim and shall apprise the Company of the nature of such claim and the date on which such claim is requested to be paid. The Executive shall not pay such claim prior to the expiration of the thirty-day period following the date on which it gives such notice to the Company (or such shorter period ending on the date that any payment of taxes with respect to such claim is due). If the Company notifies the Executive in writing prior to the expiration of such period that it desires to contest such claim, the Executive shall:

(i) give the Company any information reasonably requested relating to such claim,

(ii) take such action in connection with contesting such claim as the Company shall reasonably request in writing from time to time, including, without limitation, accepting legal representation with respect to such claim by an attorney reasonably selected by the Company,

(iii) cooperate with the Company in good faith in order effectively to contest such claim,

(iv) permit the Company to participate in any proceedings relating to such claim;

provided, however, that the Company shall bear and pay directly all costs and expenses (including additional interest and penalties) incurred in connection with such contest and shall indemnify and hold the Executive harmless, on an after-tax basis, for any Excise Tax or income tax, including interest and

penalties with respect thereto, imposed as a result of such representation and payment of costs and expenses. Without limitation on the foregoing provisions of this subparagraph B7(c), the Company shall control all proceedings taken in connection with such contest and, at its sole option, may pursue or forgo any and all administrative appeals, proceedings, hearings and conferences with the taxing authority in respect of such claim and may, at its sole option, either direct the Executive to pay the tax claimed and sue for a refund or contest the claim in any permissible manner, and the Executive agrees to prosecute such contest to a determination before any administrative tribunal, in a court of initial jurisdiction and in one or more appellate courts, as the Company or the subsidiary shall determine; provided, however, that if the Company or the subsidiary directs the Executive to pay such claim and sue for a refund, the Company or the subsidiary shall advance the amount of such payment to the Executive, on an interest-free basis and shall indemnify and hold the Executive harmless, on an after-tax basis, from any Excise Tax or income tax, including interest or penalties with respect thereto, imposed with respect to such advance or with respect to any imputed income with respect to such advance; and further provided, that any extension of the statue of limitations relating to payment of taxes for the taxable year of the Executive with respect to which such contested amount is claimed to be due is limited solely to such contested amount. Furthermore, control of the contest by the Company or the subsidiary shall be limited to issues with respect to which a Gross-Up Payment would be payable hereunder and the Executive shall be entitled to settle or contest, as the case may be, any other issue raised by the Internal Revenue Service or any other taxing authority.

(d) If, after the receipt by the Executive of an amount advanced by the

Company or the subsidiary pursuant to subparagraph B7(c), the Executive becomes entitled to receive any refund with respect to such claim, the Executive shall (subject to compliance with the requirements of paragraph B7 by the Company or the subsidiary) promptly pay to the Company or the subsidiary the amount of such refund (together with any interest paid or credited thereon after taxes applicable thereto). If, after the receipt by the Executive of an amount advanced by the Company or the subsidiary pursuant to subparagraph B7(c), a determination is made that the Executive shall not be entitled to any refund with respect to such claim and the Company does not notify the Executive in writing of its intent to contest such denial of refund prior to the expiration of thirty days after such determination, then such advance shall be forgiven and shall not be required to be repaid and the amount of such advance shall off-set, to the extent thereof, the amount of Gross-Up Payment required to be paid.

C. Definitions.

1. Change of Control. For purposes of this Agreement, a "change of control" shall occur when (i) any person, either individually or together with such persons' affiliates or associates (other than any employee benefit plan of the Company or any subsidiary of the Company, or any entity holding shares of the Company stock, for or pursuant to the terms of any such plan), shall have become the beneficial owner, directly or indirectly, of shares of the Company having 20% or more of the total number of votes that may be cast for the election of directors of the Company and there shall have been a public announcement of such occurrence by the Company or such persons or (ii) individuals who shall qualify as continuing directors (as defined below) shall have ceased for any reason to constitute at least a majority of the Board of Directors of the Company. "Continuing director" shall mean any member of the Board of Directors of the Company, while such person is a member of such Board of Directors, who is not an affiliate or associate of an acquiring person (as defined below) or of any such acquiring person's affiliate or associate and was

a member of such Board of Directors prior to the time when such acquiring person shall have become an acquiring person, and any successor of a continuing director, while such successor is a member of such Board of Directors, who is not an acquiring person or a representative or nominee of an acquiring person or of any affiliate or associate of such acquiring person and is recommended or elected to succeed the continuing director by a majority of the continuing directors. "Acquiring person" shall mean any person or group of affiliates or associates (as such terms are defined on February 1, 1987 in Rule 12b-2 of the General Rules and Regulations under the Securities Exchange Act of 1934, as amended, other than any employee benefit plan of the Company or any subsidiary of the Company, or any entity holding shares of Company stock for or pursuant to the terms of any such plan), who is or becomes the beneficial owner, directly or indirectly, of 20% or more of the shares of the Company, having 20% or more of the total number of votes that may be cast for the election of directors of the Company.

2. Subsidiary. For purposes of this agreement, a "Subsidiary" shall mean any domestic or foreign corporation at least 20% of whose shares normally entitled to vote in electing directors is owned directly or indirectly by the Company or by other subsidiaries.

D. General Provisions.

1. No Guaranty of Employment. Nothing in this agreement shall be deemed to entitle the Executive to continued employment with the Company or its subsidiaries, and the rights of the Company to terminate the employment of the Executive shall continue as fully as if this agreement were not in effect, provided that any such termination of employment within three (3) years following a change of control shall entitle the Executive to the benefits herein provided.

2. Confidentiality. The Executive shall retain in confidence any confidential information known to him concerning the Company and its business so long as such information is not publicly disclosed.

3. Payment Obligation Absolute. The Company's obligation to pay the Executive the compensation and to make the arrangements provided herein shall be absolute and unconditional and shall not be affected by any circumstances, including without limitation, any set-off, counterclaim, recoupment, defense or other right which the Company may have against him, her or anyone else. All amounts payable by the Company hereunder shall be paid without notice or demand. The Company waives all rights which it may now have or may hereafter have conferred upon it, by statute or otherwise, to terminate, cancel or rescind this agreement in whole or in part. Each and every payment made hereunder by the Company shall be final and the Company shall not seek to recover all or any part of such payment from the Executive or from whoever may be entitled thereto, for any reason whatsoever.

4. Indemnification. If litigation shall be brought to enforce or interpret any provision contained herein, the Company hereby indemnifies the Executive for his or her reasonable attorney's fees and disbursements incurred in such litigation, and hereby agrees to pay prejudgment interest on any money judgment obtained by the Executive calculated by using the prevailing prime interest rate on the date that payment(s) to him or her should have been made under this agreement.

5. Successors. This agreement shall be binding upon and inure to the benefit of the Executive and his or her estate, and the Company and any successor of the Company, but neither this agreement nor any rights arising here-

under may be assigned or pledged by the Executive.

6. Severability. Any provision in this agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective only to the extent of such prohibition or unenforceability without invalidating or affecting the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

7. Controlling Law. This agreement shall in all respects be governed by, and construed in accordance with, the laws of the State of Delaware.

IN WITNESS WHEREOF, the parties have executed this agreement on the date set out above.

MAYTAG CORPORATION

By _____
XXXXXXXXXXXXXXXX , CEO

_____
XXXXXXXXXXXXXX, Executive

MAYTAG CORPORATION

Exhibit 10(d)

Revised definition of Change of Control adopted by the Board of Directors amending the definition included in the Executive Severence Agreement listed in Exhibits 10(b) and 10(c).

CHANGE OF CONTROL

Revised definition of Change of Control adopted by the Board of Directors amending the definition included in the Executive Severance Agreements listed in Exhibits 10(b) and 10(c) hereof, as follows:

A. The acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) (a "Person") of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 20% or more of either (i) the then outstanding shares of common stock of the Company (the "Outstanding Company Common Stock") or (ii) the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors (the "Outstanding Company Voting Securities"); provided, however, that for purposes of this subsection (a), the following acquisitions shall not constitute a Change of Control: (i) any acquisition by the Company, (ii) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company or (iii) any acquisition by any corporation pursuant to a transaction which complies with clauses (i), (ii) and (iii) of subsection (c) below; or

B. Individuals who, as of the date hereof, constitute the Board (the "Incumbent Board") cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to the date hereof whose election, or nomination for election by the Company's shareholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board; or

C. Consummation of a reorganization, merger or consolidation or sale or other disposition of all or substantially all of the assets of the Company (a "Business Combination"), in each case, unless, following such Business Combination, (i) all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Company Common Stock and Outstanding Company Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than 50% of, respectively, the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Business Combination (including, without limitation, a corporation which as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Business Combination of the Outstanding Company Common Stock and Outstanding Company Voting Securities, as the case may be, (ii) no Person (excluding any employee benefit plan (or related trust) of the Company or such corporation resulting from such Business Combination) beneficially owns, directly or indirectly, 20% or more of, respectively, the then outstanding shares of common stock of the corporation resulting from such Business Combination or the combined voting power of the then outstanding voting securities of such corporation except to the extent that such ownership existed prior to the Business Combination

and (iii) at least a majority of the members of the board of directors of the corporation resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement, or of the action of the Board, providing for such Business Combination; or

D. Approval by the shareholders of the Company of a complete liquidation or dissolution of the Corporation.

MAYTAG CORPORATION

Exhibit 10(f)

Severance Agreement with Joseph Fogliano, former Executive Vice President and President North American Appliance Group.

August 10, 1995

Joseph F. Fogliano
1310 Golf View Lane
Newton, Iowa 50208

Dear Joe,

This letter will confirm your separation from the Maytag Corporation, outline your separation benefits, and offer you enhanced benefits available to you contingent upon your agreement to certain conditions.

Your employment with Maytag Corporation will terminate effective August 31, 1995 (the date of separation). You will resign all officer positions held with Maytag Corporation and any of its subsidiary and associated companies effective August 31, 1995. Your last day worked will be Thursday, August 10, 1995.

I. As a former executive, you will receive:

1. Salary through August 31, 1995, less normal withholdings, payable that date.

2. Vacation pay based on unused, but accrued, vacation hours computed and payable as of August 31, 1995, less applicable withholdings.

3. Maytag Salary Savings Plan 401(k) match through August 31, 1995.

4. The opportunity to withdraw all sums from the Maytag Salary Savings Plan 401(k), the Employee Stock Ownership Plan, Employee Stock Purchase Plan, Capital Accumulation Plan, or other similar plan, as applicable under the plan, upon the date of separation.

5. The opportunity to exercise stock options (vested to you as of August 31, 1995) in accordance with the plan.

6. The opportunity to continue health coverage, at your full expense, under COBRA, effective as of the date of separation.

7. The opportunity to convert your group health and life coverage to individual coverage, at your full expense, effective as of the date of separation.

You should contact Clark Benning at (515) 246-4016 to determine what options you have in the Executive Life Insurance Program.

II. Provided you sign the attached agreement and return it to Jon Nicholas on or before 5:00p.m. Friday, September 1, 1995, and you do not revoke your decision within seven (7) days after our receipt of that document, Maytag offers you in addition to the items outlined in Item I above the following enhanced separation benefits:

1. Severance Pay - You will receive twelve (12) monthly payments equivalent to your monthly payroll rate as of the date of separation ($33,750) less applicable withholdings. These payments will be made at the end of each month beginning in September, 1995 and ending in August, 1996. During this time period, you will not be a Maytag employee and you will not be expected or authorized to perform any services for Maytag Corporation or any of its companies.

2. Benefits Continuation - Maytag will provide at no cost to you the benefits outlined above in Item I.6. You will be eligible for this enhanced benefit until the earlier of (a) August 31, 1996, (b) your becoming a full-time employee of another employer, or (c) your becoming eligible for Medicare. The level of benefits provided will be according to the applicable plans.

3. Annual Incentive Compensation - Your 1995 annual incentive opportunity will be prorated as of August 31, 1995 based on your ending base salary, your plan opportunity of 66%, an individual performance factor of 100%, and a projected corporate performance rating of 65%. This proration totals $115,830 and will be payable, less applicable withholdings, September 30, 1995.

4. Stock Incentive Award Plan - Rather than forfeiture of all your shares

of Restricted Stock and Restricted Stock Units under this plan, you will receive a payment equivalent to but in lieu of all such shares and units held by you as of August 31, 1995, prorated as of that date based on the preceding 40-day average closing stock price, and the following projected achievements: 1993 - 120%, 1994 - 100%, and 1995 - 60%. This proration is estimated to total $610,300 and will be payable, less applicable withholdings, September 30, 1995.

5. Capital Accumulation Plan - If you request, and your request is approved by Maytag, you will be allowed to withdrawal your CAP balance in a lump sum.

6. Sale of Residence - Maytag will assist you in the sale of your residence in Newton, Iowa through its third party relocation program.

7. Relocation Expense - Maytag will pay for the relocation of your household goods currently located in Newton, Iowa per the applicable provisions of the attached Maytag Relocation Policy to a location of your choice within the continental United States provided the move takes place prior to November 30, 1995. Alternatively, Maytag will at your request pay for the movement of such household goods to storage for up to six months (but will not pay for movement out of storage).

8. Temporary Living Expenses - Maytag will provide to you a payment of $24,000 less applicable withholdings. This payment is intended to assist you with approximately six months of temporary living expenses following the date of separation.

9. Outplacement - Maytag will provide you with outplacement services through Hardy Freeman & Associates, or other such service of your choice with Maytag approval, not to exceed 15% of your ending base salary.

10. Executive Appliances - You may retain the appliances you have under the Executive Appliance Test Program.

We trust that you will agree with this proposal to provide you with enhanced benefits not otherwise available. If so, please sign and return the enclosed Agreement to Jon Nicholas no later than 5:00 p.m. Friday, September 1, 1995, the date on which this offer will expire if not accepted by you.

Should you have any questions regarding this matter, please let me know.

Sincerely,

August 28, 1995

Joseph F. Fogliano
1310 Golf View Lane
Newton, Iowa 50208

Dear Joe,

In addition to the enhanced separation benefits offered to you in Len Hadley's letter dated August 10, 1995, the following items will amend or add to Section II:

6. (Amended) - Maytag will purchase your Newton, Iowa residence through a third party for $400,000.

7. (Amended) - Maytag will pay for the relocation of your household goods currently located in Newton, Iowa per the applicable provisions of the Maytag Relocation Policy to a location of your choice within the continental United States provided the move takes place prior to December 31, 1995. Alternatively, Maytag will at your request pay for the movement of such household goods to storage for up to one (1) year not to exceed $24,000. Additionally, Maytag will pay for the transport and storage of up to two (2) automobiles for up to one (1) year not to exceed $4,800.

9. (Amended) - Maytag will approve outplacement services through Drake Beam Morin not to exceed 15% of your ending base salary ($60,750).

10. (Amended) - You may remove portable appliances from your current residence, but not built-in appliances. You will not incur a prorated charge.

11. (Added) - Maytag will pay consultant fees and reasonable business travel expenses for your trip to the Center for Creative Leadership in Colorado Springs, Colorado for the purpose of receiving instrument feedback.

12. (Added) - You may maintain the use of the Corporate VISA and MCI cards through December 31, 1995 for bona fide job search purposes not otherwise eligible for reimbursement by a prospective employer, not to exceed $10,000 in aggregate.

13. (Added) - Maytag will provide income tax preparation services for calendar year 1995, not to exceed $1,000 in fees.

Please understand that all enhanced separation benefits offered to you must be contingent upon your returning to Maytag any and all documents in your possession that would be considered company sensitive, including copies of materials presented to the Maytag Board of Directors.

It is my understanding that these additional considerations will bring this matter to a satisfactory conclusion. If you have any questions, please feel free to call me.

Sincerely,

s/s J.O. Nicholas

MAYTAG CORPORATION

Exhibit 10(m)

Maytag Deferred Compensation Plan, as amended and restated effective January 1, 1996.

MAYTAG DEFERRED COMPENSATION PLAN

As Amended and Restated Effective January 1, 1996

MAYTAG DEFERRED COMPENSATION PLAN
As Amended and Restated Effective January 1, 1996

ARTICLE 1
INTRODUCTION

1.1 Purpose of Plan

The Corporation has adopted the Plan set forth herein to provide a means by which certain employees may elect to defer receipt of designated percentages or amounts of their Compensation.

1.2 Status of Plan

The Plan is intended to be "a plan which is unfunded and is maintained by an employer primarily for the purpose of providing deferred compensation for a select group of management or highly compensated employees" within the meaning of Sections 201(2), 301(a)(3) and 401(a)(1) of ERISA, and shall be interpreted and administered consistent with that intent. Employee Elective Deferral contributions are used to fund the Plan.

ARTICLE 2
DEFINITIONS

Wherever used herein, the following terms have the meanings set forth below, unless a different meaning is clearly required by the context:

2.1 Account means, for each Participant, the account established for his or her benefit under Section 5.1.

2.2 Beneficiary means the person or persons, including legal entities, who have been designated by a Participant to receive benefits under this Plan upon such Participant's death, and who survive the Participant.

2.3 Change of Control of the Corporation shall mean:

(a) The acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) (a "Person") of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 20% or more of either (i) the then outstanding shares of common stock of the Corporation (the

"Outstanding Corporation Common Stock") or (ii) the combined voting power of the then outstanding voting securities of the Corporation entitled to vote generally in the election of directors (the "Outstanding Corporation Voting Securities"); provided, however, that for purposes of this subsection (a), the following acquisitions shall not constitute a Change of Control: (i) any acquisition by the Corporation, (ii) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Corporation or any corporation controlled by the Corporation or (iii) any acquisition by any corporation pursuant to a

transaction which complies with clauses (i), (ii) and (iii) of subsection (c) below; or

(b) Individuals who, as of the date hereof, constitute the Board (the "Incumbent Board") cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to the date hereof whose election, or nomination for election by the Corporation's shareholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board; or

(c) Consummation of a reorganization, merger or consolidation or sale or other disposition of all or substantially all of the assets of the Corporation (a "Business Combination"), in each case, unless, following such Business Combination, (i) all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Corporation Common Stock and Outstanding Corporation Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than 50% of, respectively, the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Business Combination (including, without limitation, a corporation which as a result of such transaction owns the Corporation or all or substantially all of the Corporation's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Business Combination of the Outstanding Corporation Common Stock and Outstanding Corporation Voting Securities, as the case may be, (ii) no Person (excluding any employee benefit plan (or related trust) of the Corporation or such corporation resulting from such Business Combination) beneficially owns, directly or indirectly, 20% or more of, respectively, the then outstanding shares of common stock of the corporation resulting from such Business Combination or the combined voting power of the then outstanding voting securities of such corporation except to the extent that such ownership existed prior to the business combination and

(iii) at least a majority of the members of the board of directors of the corporation resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement, or of the action of the Board, providing for such Business Combination; or

(d) Approval by the shareholders of the Corporation of a complete liquidation or dissolution of the Corporation.

2.4 Code means the Internal Revenue Code of 1986, as amended from time to time. Reference to any section or subsection of the Code includes reference to any comparable or succeeding provisions of any legislation which amends,

supplements or replaces such section or subsection.

2.5 Committee means the Compensation Committee of the Corporation or any successor to such Committee. The Committee shall serve as Plan Administrator.

2.6 Compensation means the cash compensation payable to a Participant by the Corporation, including any commissions and bonuses.

2.7 Corporation means Maytag Corporation, a Delaware corporation, and any successor to all or a major portion of the Corporation's assets or business that assumes the obligations of the Corporation, and each other entity that is affiliated with the Corporation and that adopts the Plan with the consent of the Corporation.

2.8 Effective Date means January 1, 1996.

2.9 Elective Deferral means the portion of Compensation which is deferred by a Participant under Section 4.1.

2.10 Eligible Employee means, on the Effective Date or any entry date thereafter as provided in Section 4.1, those employees of the Corporation who are designated by the Committee and who are eligible to participate in the Qualified Plan. Each Eligible Employee's status will be reviewed by the Plan Administrator prior to the beginning of each calendar quarter. An individual who no longer meets the description in the first sentence of this Section will no longer qualify as an Eligible Employee as of the first day of the applicable calendar quarter.

2.11 ERISA means the Employee Retirement Income Security Act of 1974, as amended from time to time. Reference to any section or subsection of ERISA includes reference to any comparable or succeeding provisions of any legislation that amends, supplements or replaces such section or subsection.

2.12 Insolvent means either (i) the Corporation is unable to pay its debts as they become due, or (ii) the Corporation is subject to a pending proceeding

as a debtor under the United States Bankruptcy Code.

2.13 Participant means any individual who participates in the Plan in accordance with Article 3.

2.14 Plan means the Maytag Deferred Compensation Plan, as provided herein and as amended from time to time. The Plan was formerly called the "Maytag Corporation 1988 Capital Accumulation Plan for Key Employees."

2.15 Plan Administrator means the person, persons or entity designated by the Corporation to administer the Plan and to serve as the agent for the settlor of the Trust as contemplated by the agreement establishing the Trust. If no

such person or entity is so serving at any time, the Corporation shall be the Plan Administrator.

2.16 Plan Year means the 12-month period ending on December 31.

2.17 Qualified Plan means the Maytag Corporation Salary Savings Plan.

2.18 Trust means the grantor trust established by the Corporation to hold assets contributed under the Plan.

2.19 Trustee means the trustee or trustees under the Trust.

ARTICLE 3
PARTICIPATION

3.1 Commencement of Participation

An Eligible Employee shall become a Participant in the Plan on the first date as of which he or she begins to defer Compensation in accordance with Section 4.1.

3.2 Continued Participation

A Participant in the Plan shall continue to be a Participant so long as any amount remains credited to his or her Account.

ARTICLE 4
ELECTIVE DEFERRALS

4.1 Elective Deferrals

(a) An individual who is an Eligible Employee may elect to defer a percentage or dollar amount of the Compensation otherwise payable to him or her. An Eligible Employee who desires to elect such a deferral shall complete and file an Enrollment Form with the Plan Administrator.

(b) Each Enrollment Form shall be effective for all Compensation to be paid for the Plan Year to which it applies, or in the case of an Enrollment Form filed after the Plan Year commences, for Compensation payable after the date on which the Eligible Employee files the Enrollment Form with the Plan Administrator. Each Enrollment Form shall be filed no later than the last day of the year preceding the Plan Year to which it applies, provided that (i) for an individual who is an Eligible Employee as of the Effective Date, the Enrollment Form for the first Plan Year shall be filed no later than 30 days following the Effective Date and (ii) for an individual who becomes an Eligible Employee after the Effective Date, the Enrollment Form for the first year of eligibility shall be filed no later than 30 days following the date the individual becomes an Eligible Employee.

(c) An election to defer a percentage or dollar amount of Compensation for any Plan Year shall apply for subsequent Plan Years unless changed or revoked. A Participant may change or revoke his or her deferral election as of the first day of any Plan Year by giving written notice to the Plan Administrator before such first day (or any such earlier date as the Plan Administrator may prescribe).

ARTICLE 5
ACCOUNTS

5.1 Accounts

The Plan Administrator shall establish an Account for each Participant reflecting Elective Deferrals made for the Participant's benefit together with any adjustments for income, gain or loss and any payments from the Account. As of the last business day of each calendar quarter, the Plan Administrator shall provide the Participant with a statement of his or her Account reflecting the income, gains and losses (realized and unrealized), amounts of deferrals, and distributions of such Account since the prior statement.

5.2 Investments

(a) The assets of the Trust shall be invested in such investments as the Trustee shall determine. The Trustee may (but is not required to) consider the Corporation's or a Participant's investment preferences when investing the assets attributable to a Participant's Account.

(b) Expense charges for transactions performed for each Participant's Account shall be paid from each respective Account and will be listed on the quarterly Account Statement. Other Plan administrative expenses will be paid by the Corporation.

(c) Notwithstanding any other provision of the Plan to the contrary, at

the time of a Change of Control and thereafter, the Corporation shall make contributions to the Trust as necessary so that at all times the assets of the Trust equal or exceed the aggregate liabilities to Participants under the Plan.

ARTICLE 6
VESTING

6.1 General

Subject to Section 7.5, the Participant shall at all times have a fully vested and nonforfeitable right to all Elective Deferrals credited to his or her Account, adjusted for income, gain and loss attributable thereto.

ARTICLE 7
PAYMENTS

7.1 Election as to Form of Payment

(a) The Participant may elect for payments to be made in either in the form of:

(i) A single lump-sum payment; or

(ii) Annual installments over a period elected by the Participant of up to 10 years, the amount of each installment to equal the then balance of the Account divided by the number of installments remaining to be paid. The Participant may designate the date of the initial payment, and then the year the remaining payments are to begin, or may designate the age at which installments shall commence.

(b) Except as provided in Sections 7.2, and 7.3, payment of a Participant's Account shall be made in accordance with the Participant's elections under this Section 7.1. If no election is made by a Participant, distribution shall be made upon the Participant's termination of employment in a single lump-sum.

7.2 Termination of Employment

Upon termination of a Participant's employment for any reason other than death, the balance of the Participant's Account shall be paid to the Participant within the calendar quarter immediately following his or her termination of employment according to the Participant's distribution election, unless the Plan Administrator elects, in its sole discretion, to pay out a Participant's Account balance in a single lump-sum as soon as practicable following the date of termination.

7.3 Death

(a) If a Participant dies prior to the complete distribution of his or her Account, the balance of the Account shall be paid to the Participant's designated Beneficiary or Beneficiaries within the calendar quarter immediately following his or her death, according to the Participant's distribution election, unless the Plan Administrator elects, in its sole discretion, to pay out a Participant's Account balance in a single lump-sum as soon as practicable following the date of death.

(b) A Participant may designate a Beneficiary by so notifying the Plan Administrator in writing, at any time before Participant's death, on a form prescribed by the Plan Administrator for that purpose. A Participant may revoke any Beneficiary designation or designate a new Beneficiary at any time without the consent of a Beneficiary or any other person. If no Beneficiary is

designated or no designated Beneficiary survives the Participant, payment shall be made to the Participant's surviving spouse, or, if none, to the Participant's issue per stirpes, in a single payment. If no spouse or issue survives the Participant, payment shall be made in a single lump-sum to the Participant's estate.

(c) The Participant's Beneficiary designation prior to the Effective Date will remain in effect unless the Participant revokes the designation as provided in this Section 7.3.

7.4 Taxes

All federal, state or local taxes that the Plan Administrator determines are required to be withheld from any payments made pursuant to this Article 7 shall be withheld.

7.5 Agreement Regarding Competition and Confidential Information

Notwithstanding anything contained in this Plan to the contrary, by agreeing to become a Participant in the Plan and in consideration of the benefits to be provided hereunder, each Participant agrees as follows:

(a) During the period commencing on the date the Participant signs his or her Enrollment Form and ending on the last day of the 24th calendar month following the voluntary termination by the Participant of his or her employment with the Corporation, the Participant:

(i) Shall not engage in any activities, whether as employer, proprietor, partner, stockholder (other than the holder of less than 5% of the stock of the corporation the securities of which are traded on a national securities exchange or in the over-the-

counter market), director, officer, employee or otherwise, in competition with any business in which the Corporation or any subsidiary or other affiliate of the Corporation (hereinafter the "Companies") are substantially engaged at any time after the date of this Plan while the Participant is employed by the Corporation (the "Employment Period");

(ii) Shall not solicit, in competition with the Companies, any customer of any business in which the Companies are substantially engaged at any time during the Employment Period; and

(iii) Shall not induce or attempt to persuade any employee of the Companies to terminate his or her employment relationship in order to enter into competitive employment.

(b) The Participant shall not, at any time during the Employment Period or thereafter, make use of any bidding information (or computer programs therefore) of any of the Companies, nor divulge any trade secrets or other confidential information of any of the Companies, except to the extent the Board of Directors of the Corporation may so authorize in writing, and upon the termination of the Employment Period the Participant shall surrender to the Corporation all records and other documents obtained by him or her or entrusted to him or her during the course of his employment by the Companies (together with all copies thereof) which pertain specifically to any of the businesses covered by the covenants in Section 7.5(a) or which are paid for by any of the Companies.

(c) The following provisions shall apply to the covenants of the Participant contained in Sections 7.5(a)(i) and (ii):

(i) The covenants contained in Section 7.5(a)(i) shall apply within all the territories in which any of the Companies are actively engaged in the conduct of business at the relevant time, including, without limitation, the territories in which customers are then being solicited.

(ii) If prior to the end of the period described in the first sentence in Section 7.5(a), the Participant shall agree to engage in activity described in Sections 7.5(a)(i) or (ii) prior to such date, determined without regard to whether such activity would violate such clause, the Participant shall notify the Corporation in writing prior to the commencement of such activities so that the Corporation may determine whether such activity would violate such provisions. Such notice shall be delivered to the Corporation not later than 30 days prior to the commencement of such activity, provided that if such activities are to commence less than 30 days after the Participant has agreed thereto, such

notice shall be delivered to the Corporation as soon as practicable after such agreement. The Corporation shall maintain any such notice as confidential, and shall not disclose such notice to any person outside the Companies except as consented to by the Participant or in connection with any legal action instituted by the Corporation to enforce its rights under this Agreement.

(iii) Upon any violation by the Participant of the covenants contained in Sections 7.5(a)(i) or (ii), the Participant shall receive a single lump-sum payment of his Account balance, less a sum equal to 25% of the total adjustments made to his or her Account for income or gain (realized and unrealized) for each full or partial Plan Year during which such Participant participated in the Plan. Payment shall be made 30 days following the Committee's determination that the Participant has violated the covenants of the agreement.

(d) If a Participant has been paid a lump-sum because of his termination of employment, such Participant shall promptly remit to the Corporation upon demand the difference between the amount previously paid to him or her and the amount of the lump-sum as calculated in Section 7.5(c)(iii) above.

(e) Determination that a former employee is in violation of his agreement with the Corporation shall be made by the Committee, in its sole and absolute discretion. In exercising its discretion, the Committee shall consider, among other factors, the nature of the violation, including competitive activity, the potential harm to the Corporation which may result, the former employee's ability to find non-competitive employment if that is the violation, and the former employee's financial need. Upon request, the Committee shall advise a Participant whether an activity in which the Participant proposes to engage to be a competitive activity.

(f) Without limiting the right of the Corporation to pursue all other legal and equitable remedies available for violation by the Participant of the covenants contained in Section 7.5(a), it is expressly agreed by the Participant and the Corporation that such other remedies cannot fully compensate the Corporation for any such violation, and that the Corporation shall be entitled to injunctive relief to prevent any such violation or any continuing violation thereof.

(g) Each party intends and agrees that if in any action before any court or agency legally empowered to enforce the covenants contained in Section 7.5(a) any term, restriction, covenant or promise contained therein is found to be unreasonable and accordingly unenforceable, then such term, restriction, covenant or promise shall be deemed modified to the extent necessary to make it

enforceable by such court or agency.

ARTICLE 8
PLAN ADMINISTRATOR

8.1 Plan Administration and Interpretation

The Plan Administrator shall oversee the administration of the Plan. The Plan Administrator shall have complete control and authority to determine the rights and benefits and all claims, demands and actions arising out of the provisions of the Plan of any Participant, Beneficiary, deceased Participant, or other person having or claiming to have any interest under the Plan. The Plan Administrator shall have complete discretion to interpret the Plan and to decide all matters under the Plan. Such interpretation and decision shall be final, conclusive and binding on all Participants and any person claiming under or through any Participant, in the absence of clear and convincing evidence that the Plan Administrator acted arbitrarily and capriciously. Any individual(s) serving as a Plan Administrator member who is a Participant will not vote or act on any matter relating solely to himself or herself. When making a determination or calculation, the Plan Administrator shall be entitled to rely on information furnished by a Participant, a Beneficiary, the Corporation or the

Trustee. The Plan Administrator shall have the responsibility for complying with any reporting and disclosure requirements of ERISA.

8.2 Powers, Duties, Procedures, Etc.

The Plan Administrator shall have such powers and duties, may adopt such rules and tables, may act in accordance with such procedures, may appoint such officers or agents, may delegate such powers and duties, may receive such reimbursements and compensation, and shall follow such claims and appeal procedures with respect to the Plan as it may establish.

8.3 Information

To enable the Plan Administrator to perform its functions, the Corporation shall supply full and timely information to the Plan Administrator on all matters relating to the compensation of Participants, their employment, retirement, death, termination of employment, and such other pertinent facts as the Plan Administrator may require.

8.4 Indemnification of Plan Administrator

The Corporation agrees to indemnify and to defend to the fullest extent permitted by law any officer(s) or employee(s) who serve as Plan Administrator (including any such individual who formerly served as Plan Administrator) against all liabilities, damages, costs and expenses (including attorneys' fees

and amounts paid in settlement of any claims approved by the Corporation) occasioned by any act or omission to act in connection with the Plan, if such act or omission is in good faith.

ARTICLE 9
AMENDMENT AND TERMINATION

9.1 Amendments

The Corporation shall have the right to amend the Plan from time to time, subject to Section 9.3, by an instrument in writing which has been executed on its behalf by a duly authorized officer.

9.2 Termination of Plan

The Plan is strictly a voluntary undertaking on the part of the Corporation and shall not be deemed to constitute a contract between the Corporation and any Eligible Employee (or any other employee) or a consideration for, or an inducement or condition of employment for, the performance of the services by any Eligible Employee (or other employee). The Corporation reserves the right to terminate the Plan at any time, subject to Section 9.3, by an instrument in writing which has been executed on its behalf by a duly authorized officer.

Upon termination, the Corporation may (a) elect to continue to maintain the Trust to pay benefits hereunder as they become due as if the Plan had not terminated or (b) direct the Trustee to pay promptly to Participants (or their Beneficiaries) the balance of their Accounts.

9.3 Existing Rights

No amendment or termination of the Plan shall adversely affect the rights of any Participant with respect to amounts that have been credited to his or her Account prior to the date of such amendment or termination.

9.4 Change of Control

Notwithstanding any provision of the Plan to the contrary, at the time of a Change of Control and thereafter, all the powers, rights and authorities of the Corporation under this Article 9 shall reside in and be exercised by the person or persons who were the Plan Administrator immediately prior to the Change of Control.

ARTICLE 10
MISCELLANEOUS

10.1 No Funding

The Plan constitutes a mere promise by the Corporation to make payments in accordance with the term of the Plan and Participants and Beneficiaries shall have the status of general unsecured creditors of the Corporation. Nothing in the Plan will be construed to give any employee or any other person rights to any specific assets of the Corporation or of any other person. In all events, it is the intent of the Corporation that the Plan be treated as unfunded for tax purposes and for purposes of Title I of ERISA.

10.2 Non-assignability

None of the benefits, payments, proceeds or claims of any Participant or Beneficiary shall be subject to any claim of any creditor of any Participant or Beneficiary and, in particular, the same shall not be subject to attachment or garnishment or other legal process by any creditor of such Participant or Beneficiary, nor shall any Participant or Beneficiary have any right to alienate, anticipate, commute, pledge, encumber or assign any of the benefits or payments or proceeds which he or she may expect to receive, contingently or otherwise under the Plan.

10.3 Limitation of Participants' Rights

Nothing contained in the Plan shall confer upon any person a right to be employed or to continue in the employ of the Corporation, or interfere in any way with the right of the Corporation to terminate the employment of a Participant in the Plan at any time, with or without cause.

10.4 Participants Bound

Any action with respect to the Plan taken by the Plan Administrator or the Trustee or any action authorized by or taken at the direction of the Plan Administrator, the Corporation or the Trustee shall be conclusive upon all Participants and Beneficiaries entitled to benefits under the Plan.

10.5 Receipt and Release

Any payment to any Participant or Beneficiary in accordance with the provisions of the Plan shall, to the extent thereof, be in full satisfaction of all claims against the Corporation, the Plan Administrator and the Trustee under the Plan, and the Plan Administrator may require such Participant or Beneficiary, as a condition precedent to such payment, to execute a receipt and release to such effect. If any Participant or Beneficiary is determined by the Plan Administrator to be incompetent by reason of physical or mental disability (including minority) to give a valid receipt and release, the Plan Administrator may cause the payment or payments becoming due to such person to be made to another person for his or her benefit without responsibility on the part of the Plan Administrator, the Corporation or the Trustee to follow the application of such funds.

10.6 Governing Law

The Plan shall be construed, administered, and governed in all respects under and by the laws of the State of Iowa. If any provision shall be held by a court of competent jurisdiction to be invalid or unenforceable, the remaining provisions hereof shall continue to be fully effective.

10.7 Headings and Subheadings

Headings and subheading in this Plan are inserted for convenience only and are not to be considered in the construction of the provisions hereof.

10.8 Address of Participant or Beneficiary

A Participant shall keep the Plan Administrator apprised of his current address and that of any Beneficiary at all time during his or her participation in the Plan. Upon the death of a Participant, a Beneficiary who is entitled to receive payment of benefits under the Plan shall keep the Plan Administrator apprised of his or her current address until the entire amount to be distributed to him or her has been paid.

10.9 Arbitration

Disputes arising under the Plan will be submitted to arbitration in Newton, Iowa for resolution in accordance with the American Arbitration Association's Commercial Arbitration Rules as then in effect. The award of such arbitration shall be final and binding. Neither party shall be entitled to file suit in any court to resolve any dispute under the Plan.

10.10 Plan Document Governs

The Plan document shall govern in the event of any inconsistency between the Plan document and any materials distributed to Participants.

* * * * *

IN WITNESS WHEREOF, MAYTAG CORPORATION has caused this amended and restated Plan to be executed below by its duly authorized officers on this _____ day of _____ 1996, to be effective as of the Effective Date stated herein.

MAYTAG CORPORATION

By: _____

Name: _____

Title: _____

ATTEST:

By: _____

Name: _____

Title: _____

1079084

MAYTAG CORPORATION

Exhibit 11

Computation of Per Share Earnings.

MAYTAG CORPORATION
Exhibit 11
Computation of Per Share Earnings
(Amounts in thousands except per share data)

	Year Ended December 31		
	1995	1994	1993
PRIMARY			
Average shares outstanding	106,734	106,485	106,123
Net effect of dilutive stock options--based on the treasury stock method using average market price	251	243	107
Employee stock ownership plans	77	67	22
TOTAL	107,062	106,795	106,252
Income (loss) before extraordinary item and cumulative effect of accounting change	$ (14,996)	$ 151,137	$ 51,270
Per average share	$ (0.14)	$ 1.42	$ 0.48
Extraordinary item - loss on early retirement of debt	$ (5,480)		
Cumulative effect of accounting change		$ (3,190)	
Per average share	$ (0.05)	$ (0.03)	
Net income (loss)	$ (20,476)	$ 147,947	$ 51,270
Per average share	$ (0.19)	$ 1.39	$ 0.48

FULLY DILUTED			
Average shares outstanding	106,734	106,485	106,123
Net effect of dilutive stock options--based on the treasury stock method using greater of average or ending market price	354	264	159
Employee stock ownership plans	77	67	22
Assumed conversion of 6 1/2% convertible debentures			411
TOTAL	107,165	106,816	106,715
Income (loss) before extraordinary item and cumulative effect of accounting change	$ (14,996)	$ 151,137	$ 51,270
Per average share	$ (0.14)	$ 1.41	$ 0.48
Extraordinary item - loss on early retirement of debt	$ (5,480)		
Cumulative effect of accounting change		$ (3,190)	
Per average share	$ (0.05)	$ (0.03)	
Net income (loss)	$ (20,476)	$ 147,947	$ 51,270
Per average share	$ (0.19)	$ 1.39	$ 0.48

MAYTAG CORPORATION

Exhibit 12

Computation of Ratio of Earnings to Fixed Charges.

MAYTAG CORPORATION
Exhibit 12
Computation of Ratio of Earnings to Fixed Charges
(Amounts in thousands of dollars except ratios)

	Year Ended December 31				
	1995	1994	1993	1992	1991
Consolidated pretax income from continuing operations before extraordinary item and cumulative effect of accounting changes	$ 59,804	$ 241,337	$ 89,870	$ 7,546	$ 123,417
Interest expense	52,087	74,077	75,364	75,004	75,159
Depreciation of capitalized interest	1,695	1,772	1,546	933	348
Interest portion of rental expense	8,789	10,722	10,480	11,264	11,177
Earnings	$ 122,375	$ 327,908	$ 177,260	$ 94,747	$ 210,101
Interest expense	$ 52,087	$ 74,077	$ 75,364	$ 75,004	$ 75,159

Interest capitalized	2,534	547	1,484	3,886	6,329
Interest portion of rental expense	8,789	10,722	10,480	11,264	11,177
Fixed charges	$ 63,410	$ 85,346	$ 87,328	$ 90,154	$ 92,665
Ratio of earnings to fixed charges	1.93	3.84	2.03	1.05	2.27

MAYTAG CORPORATION

Exhibit 21

List of Subsidiaries of the Registrant.

MAYTAG CORPORATION

Exhibit 21

List of Subsidiaries of the Registrant.

The following schedule lists the subsidiaries of Maytag Corporation, a Delaware corporation, as of December 31, 1995.

Corporate Name	State or Country of Organization
D.N. Holdings, Inc.	Delaware
Dixie-Narco Inc.	West Virginia
Maytag Financial Services Corporation	Delaware
Maytag Foreign Sales Corporation	Virgin Islands
The Hoover Company	Delaware
Maytag International Inc.	Delaware
Maharashtra Investment, Inc.	Delaware
Hoover Holdings Inc.	Delaware
Hoover Mexicana S.A. de C.V.	Mexico
Juver Industrial S.A. de C.V.	Mexico
Maytag International Limited	United Kingdom
Maytag Ltd.	Canada
Maytag Worldwide N.V.	The Netherlands Antilles

NOTE: Ownership in subsidiaries is 100% unless otherwise indicated.

Other subsidiaries in the aggregate would not constitute a significant subsidiary.

MAYTAG CORPORATION

Exhibit 23

Consent of Ernst & Young LLP.

Consent of Independent Auditors

Shareowners and Board of Directors
Maytag Corporation

We consent to the incorporation by reference in Registration Statement Number 33-8249, Registration Statement Number 33-8248, Registration Statement Number 33-6378, Registration Statement Number 33-22228, and Registration Statement Number 33-26620 on Forms S-8; and Registration Statement Number 33-35219 on Form S-3 of Maytag Corporation and in the related Prospectuses of our report dated January 30, 1996, with respect to the consolidated financial statements and schedule of Maytag Corporation included in this Annual Report (Form 10-K) for the year ended December 31, 1995.

Ernst & Young LLP

Chicago, Illinois
March 22, 1996

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