

REGISTRATION NO. 333-52197

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

AMENDMENT NO. 1

TO

FORM S-3
REGISTRATION STATEMENT UNDER THE
SECURITIES ACT OF 1933

USA WASTE SERVICES, INC.
(Exact name of registrant as specified in its charter)

DELAWARE
(State or other jurisdiction of
incorporation or organization)

73-1309529
(I.R.S. Employer Identification No.)

1001 FANNIN STREET, SUITE 4000
HOUSTON, TEXAS 77002
(713) 512-6200
(Address, including zip code, and telephone number,
including area code, of Registrant's principal executive offices)

GREGORY T. SANGALIS
VICE PRESIDENT, GENERAL COUNSEL AND SECRETARY
1001 FANNIN STREET, SUITE 4000
HOUSTON, TEXAS 77002
(713) 512-6200
(Name, address, including zip code, and telephone number,
including area code, of agent for service)

COPIES TO:

MARCUS A. WATTS
LIDDELL, SAPP, ZIVLEY, HILL & LABOON, L.L.P.
3400 CHASE TOWER
HOUSTON, TEXAS 77002
(713) 226-1200

THOMAS JAMES MURPHY, P.C.
MCDERMOTT, WILL & EMERY
227 WEST MONROE STREET
CHICAGO, ILLINOIS 60606-5096
(312) 372-2000

APPROXIMATE DATE OF COMMENCEMENT OF PROPOSED SALE TO THE PUBLIC:
From time to time after this Registration Statement becomes effective.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box. //

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

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. //

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. //

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box. //

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

PROSPECTUS

USA WASTE SERVICES, INC.
DEBT SECURITIES
COMMON STOCK

USA Waste Services, Inc. ("USA Waste" or the "Company") may offer and sell from time to time, in one or more series, its unsecured debt securities consisting of notes, debentures or other evidences of indebtedness (the "Debt Securities"). The Company may also offer and sell from time to time shares of its common stock, par value \$.01 per share (the "Common Stock"). The aggregate initial offering prices of the Debt Securities and the Common Stock offered by the Company hereby (the "Securities") will not exceed \$2,000,000,000 or, if applicable, the equivalent thereof in any other currency or currency unit. The Securities will be offered in amounts, at prices and on terms to be determined at the time of sale and set forth in a supplement to this Prospectus (a "Prospectus Supplement").

If the offering and sale of Securities in respect of which this Prospectus is being delivered includes a series of Debt Securities, then the terms of such series of Debt Securities, including, where applicable, the specific designation, aggregate principal amount, authorized denominations, ranking as senior or subordinated Debt Securities, maturity, interest rate or rates (or method of determining the same) and time or times of payment of any interest, any terms for optional or mandatory redemption, which may include redemption at the option of holders upon the occurrence of certain events, conversion into Common Stock, or payment of additional amounts or any sinking fund provisions, any covenants or events of default that are in addition to or different from those described herein, any initial public offering price, the proceeds to the Company and any other specific terms in connection with the offering and sale of such series of Debt Securities will be set forth in a Prospectus Supplement. As used herein, Debt Securities shall include securities denominated in United States dollars or, at the option of the Company if so specified in an applicable Prospectus Supplement, in any other currency or currency unit, or in amounts determined by reference to an index.

The Securities may be sold directly by the Company to investors, through agents designated from time to time or to or through underwriters or dealers. See "Plan of Distribution." If any agents of the Company or any underwriters are involved in the sale of any Securities in respect of which this Prospectus is being delivered, the names of such agents or underwriters and any applicable commissions or discounts will be set forth in a Prospectus Supplement. The net proceeds to the Company from such sale also will be set forth in a Prospectus Supplement. See "Use of Proceeds."

Debt Securities may be issued in registered form ("Registered Securities") or bearer form ("Bearer Securities") with or without interest coupons attached, or both. In addition, all or a portion of the Debt Securities of a series may be issuable in temporary or permanent global form. Debt Securities in bearer form are offered only to non-United States persons and to offices located outside the United States of certain United States financial institutions.

The Common Stock is traded on the New York Stock Exchange under the symbol "UW." Any Common Stock sold pursuant to a Prospectus Supplement will be listed on such exchange, subject to official notice of issuance.

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

This Prospectus may not be used to consummate sales of the Securities unless accompanied by a Prospectus Supplement.

THE DATE OF THIS PROSPECTUS IS , 1998.

AVAILABLE INFORMATION

The Company is subject to the information requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and in accordance therewith, files reports, proxy statements, and other information with the Securities and Exchange Commission (the "Commission"). Such reports, proxy statements, and other information filed by the Company with the Commission can be inspected and copied at the public reference facilities maintained by the Commission at Room 1024, Judiciary Plaza, 450 Fifth Street, N.W., Washington, D.C. 20549 and at the following Regional Offices of the Commission: Chicago Regional Office, Citicorp Center, 500 West Madison Street, Suite 1400, Chicago, Illinois 60661-2511 and New York Regional Office, Seven World Trade Center, Suite 1300, New York, New York 10048. Copies of such material can be obtained from the Public Reference Section of the Commission at 450 Fifth Street, N.W., Washington, D.C. 20549, at prescribed rates. The Commission maintains an Internet Web site at <http://www.sec.gov> that contains reports, proxy and information statements, and other information regarding registrants that file electronically with the Commission. In addition, reports, proxy statements and other information concerning the Company can be inspected at the New York Stock Exchange, 20 Broad Street, New York, New York 10005, on which exchange the Common Stock is listed.

This Prospectus constitutes a part of a Registration Statement on Form S-3 (together with all amendments and exhibits thereto, the "Registration Statement") filed by the Company with the Commission under the Securities Act of 1933, as amended (the "Securities Act"). This Prospectus omits certain of the information contained in the Registration Statement in accordance with the rules and regulations of the Commission. Reference is hereby made to the Registration Statement and exhibits thereto for further information with respect to the Company and the securities offered hereby. Any statements contained herein concerning the provisions of any document filed as an exhibit to the Registration Statement or otherwise filed with the Commission are not necessarily complete, and in each instance reference is made to the copy of such document so filed. Each such statement is qualified in its entirety by such reference.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The following documents filed by the Company with the Commission under the Exchange Act (File No. 1-12154) are incorporated by reference in this Prospectus:

- (a) the Company's Annual Report on Form 10-K for the year ended December 31, 1997;
- (b) the Company's Current Report on Form 8-K dated March 10, 1998;
- (c) the description of the Common Stock contained in the Registration Statement on Form 8-A dated July 1, 1993, as amended by Form 8-B dated July 13, 1995.

All documents filed by the Company pursuant to Section 13 (a), 13(c), 14 or 15(d) of the Exchange Act subsequent to the date of this Prospectus and prior to the termination of the offering of the Securities pursuant hereto shall be deemed to be incorporated by reference herein and to be a part hereof from the date of filing of such document. Any statement contained herein or in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Prospectus to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus.

The Company will provide without charge to each person to whom this Prospectus is delivered, upon written or oral request of such person, a copy of any or all of the documents that are incorporated by reference in this Prospectus (other than exhibits to such documents, unless such exhibits are specifically incorporated by reference into such documents). Requests should be directed to the Corporate Secretary, USA Waste Services, Inc., First City Tower, 1001 Fannin Street, Suite 4000, Houston, Texas 77002, telephone number (713) 512-6200.

THE COMPANY

USA Waste is the third largest integrated nonhazardous solid waste management company in North America, as measured by revenues for the 1997 fiscal year, and currently serves the full spectrum of commercial, industrial, municipal and residential customers in 48 states, the District of Columbia, Canada and Puerto Rico. USA Waste's solid waste management services include collection, transfer and disposal operations and, to a lesser extent, recycling and certain other waste management services. At December 31, 1997, USA Waste owned or operated an extensive network of landfills, transfer stations and collection operations and had a diversified customer base in excess of seven million with no single customer accounting for more than 5% of USA Waste's operating revenues during 1997. USA Waste employed more than 17,700 people as of December 31, 1997. The principal executive offices of USA Waste are located at First City Tower, 1001 Fannin Street, Suite 4000, Houston, Texas 77002 and the telephone number is (713) 512-6200. The "Company" and "USA Waste" refer to USA Waste Services, Inc. and its subsidiaries and predecessors, unless otherwise indicated or the context requires otherwise.

RECENT DEVELOPMENTS

On March 10, 1998, USA Waste entered into a definitive agreement and plan of merger pursuant to which a subsidiary of USA Waste will be merged with and into Waste Management, Inc. ("Waste Management"), and Waste Management will become a wholly owned subsidiary of USA Waste (the "Merger"). As of the effective time of the Merger, each outstanding share of Waste Management, other than shares held in Waste Management's treasury or owned by Waste Management, USA Waste or any wholly owned subsidiaries of either of them, will be converted into the right to receive 0.725 of a share of USA Waste Common Stock. Waste Management is a leading international provider of waste management and related services to governmental, residential, commercial and industrial customers in the United States and select international markets and had revenues in 1997 of approximately \$9,188,582,000. This transaction, which is expected to close during 1998, is subject to regulatory approval and approval of the stockholders of the Company and Waste Management. It is anticipated that the Company will issue approximately 345,000,000 shares of its common stock related to this transaction and that the Merger will be accounted for as a pooling of interests.

As part of the Merger, the Company's Board of Directors will be increased to 14 members, seven of whom will be designated by each of Waste Management's Board of Directors and the Company's Board of Directors. Additionally, upon consummation of the Merger, it is expected that the Company will change its name to "Waste Management, Inc." ("New Waste Management"). The Corporate headquarters of New Waste Management will be located in Houston, Texas, and John E. Drury, the Company's Chairman of the Board and Chief Executive Officer, will remain as Chief Executive Officer. It is also expected that Rodney R. Proto, the Company's President and Chief Operating Officer, and Earl E. DeFrates, the Company's Executive Vice President and Chief Financial Officer, will retain such positions with New Waste Management.

USE OF PROCEEDS

Except as may otherwise be described in the Prospectus Supplement relating to an offering of Securities, the net proceeds from the sale of the Securities offered pursuant to this Prospectus and such Prospectus Supplement will be used for general corporate purposes. Any specific allocation of the net proceeds of an offering of Securities by the Company to a specific purpose will be determined at the time of such offering and will be described in the related Prospectus Supplement.

RATIOS OF EARNINGS TO FIXED CHARGES

The following table sets forth the Company's consolidated ratios of earnings to fixed charges for the periods as shown:

	YEAR ENDED DECEMBER 31,				
	1993	1994	1995	1996	1997
Actual.....	1.9x	1.1x	2.4x	2.3x	4.1x

The Company's consolidated ratios of earnings to fixed charges were computed by dividing earnings by fixed charges. For this purpose, earnings are the sum of income before taxes and extraordinary items and fixed charges, excluding capitalized interest. Fixed charges are interest, whether expensed or capitalized, amortization of debt expense and discount on premium relating to indebtedness, and such portion of rental expense that can be demonstrated to be representative of the interest factor in the particular case.

The following table sets forth the Company's consolidated ratios of earnings to fixed charges for the periods shown on a supplemental basis excluding nonrecurring items:

	YEAR ENDED DECEMBER 31,				
	1993	1994	1995	1996	1997
Supplemental.....	2.0x	2.4x	3.2x	4.5x	5.1x

Nonrecurring items in 1997 represent merger costs, primarily related to the Company's merger with United Waste Systems, Inc. in August 1997, and unusual items, primarily related to the closure of two transfer stations in Minnesota, estimated losses related to the closure and abandonment of two landfills in Massachusetts, and various other terminated projects. Nonrecurring items in 1996 represent merger costs, primarily related to mergers with Sanifill, Inc. in August 1996 and Western Waste Industries ("Western") in May 1996, and unusual items, primarily related to retirement benefits associated with Western's pre-merger retirement plan, estimated future losses related to municipal solid waste contracts in California as a result of the continuing decline in prices of recyclable materials, estimated losses related to the disposition of certain non-core business assets, project reserves related to Mexican operations, and various other terminated projects. Nonrecurring items in 1995 primarily represent merger costs related to the merger with Chambers Development Company, Inc. ("Chambers") in June 1995 and nonrecurring interest related to extension fees and other charges associated with the refinancing of Chambers' pre-merger debt. Nonrecurring items in 1994 primarily represent shareholder litigation costs incurred in connection with a settled class action of consolidated suits on similar claims alleging federal securities law violations against Chambers, certain of its officers and directors, its former auditors, and the underwriters of its securities. Nonrecurring items in 1993 were not material.

DESCRIPTION OF DEBT SECURITIES

The Debt Securities will constitute either senior debt of the Company ("Senior Debt Securities") or subordinated debt of the Company ("Subordinated Debt Securities"). Debt Securities may be issued from time to time under one or more indentures, each dated as of a date on or prior to the issuance of the Debt Securities to which it relates. Senior Debt Securities and Subordinated Debt Securities may be issued pursuant to separate indentures (respectively, a "Senior Debt Indenture" and a "Subordinated Debt Indenture"), in each case between the Company and Texas Commerce Bank National Association, now known as Chase Bank of Texas, National Association ("Chase Bank"), and in the form that has been filed as an exhibit to the Registration Statement of which this Prospectus is a part, subject to such amendments or supplements as may be adopted from time to time. The Company has previously entered into a Senior Indenture dated as of September 10, 1997 with Chase Bank in the form filed as an exhibit to the Company's Current Report on Form 8-K (file no. 1-12154) filed with the Commission on September 24, 1997. The Company previously has entered into a Subordinated Indenture dated as of February 1, 1997

with Chase Bank in the form filed as an exhibit to the Company's Current Report on Form 8-K (file no. 1-12154) filed with the Commission on February 7, 1997. The Senior Debt Indenture and the Subordinated Debt Indenture, as amended or supplemented from time to time, are sometimes hereinafter referred to individually as an "Indenture" and collectively as the "Indentures." Chase Bank (and any successors thereto as trustees under the respective Indentures) is hereafter referred to as the "Trustee." The following summaries of actual or anticipated provisions of the Indentures and the Debt Securities do not purport to be complete and such summaries are subject to the detailed provisions of the applicable Indenture to which reference is hereby made for a full description of such provisions, including the definition of certain terms used herein. Section references in parentheses below are to sections in both Indentures unless otherwise indicated. Wherever particular sections or defined terms of the applicable Indenture are referred to, such sections or defined terms are incorporated herein by reference as part of the statement made, and the statement is qualified in its entirety by such reference. The Indentures are substantially identical, except for certain covenants of the Company and provisions relating to subordination and conversion.

The Debt Securities may be issued from time to time in one or more series. The following description of the Debt Securities sets forth certain general terms and provisions of the Debt Securities of all series. The particular terms of each series of Debt Securities offered by any Prospectus Supplement will be described therein.

PROVISIONS APPLICABLE TO BOTH SENIOR AND SUBORDINATED DEBT SECURITIES

GENERAL. The Debt Securities will be unsecured senior or subordinated obligations of the Company and may be issued from time to time in one or more series. The Indentures do not limit the amount of Debt Securities, debentures, notes or other types of indebtedness that may be issued by the Company or any of its subsidiaries nor, other than as may be set forth in any Prospectus Supplement, do they restrict transactions between the Company and its affiliates or the payment of dividends or other distributions by the Company to its stockholders. The rights of the Company's creditors, including holders of Debt Securities, will be limited to the assets of the Company and will not be an obligation of any of its Subsidiaries. In addition, other than as may be set forth in any Prospectus Supplement, the Indentures do not and the Debt Securities will not contain any covenants or other provisions that are intended to afford holders of the Debt Securities special protection in the event of either a change of control of the Company or a highly leveraged transaction by the Company.

Reference is made to the Prospectus Supplement for the following terms of and information relating to the Debt Securities (to the extent such terms are applicable to such Debt Securities): (i) the title of the Debt Securities; (ii) classification as either Senior Debt Securities or Subordinated Debt Securities; (iii) whether the Debt Securities that constitute Subordinated Debt Securities are convertible into Common Stock and, if so, the terms and conditions upon which such conversion will be effected, including the initial conversion price or conversion rate and any adjustments thereto in addition to or different from those described herein, the conversion period and other conversion provisions in addition to or in lieu of those described herein; (iv) any limit on the aggregate principal amount of the Debt Securities; (v) whether the Debt Securities are to be issuable as Registered Securities or Bearer Securities or both, whether any of the Debt Securities are to be issuable initially in temporary global form and whether any of the Debt Securities are to be in permanent global form; (vi) the price or prices (expressed as a percentage of the aggregate principal amount thereof) at which the Debt Securities will be issued; (vii) the date or dates on which the Debt Securities will mature; (viii) the rate or rates per annum (or the method by which such will be determined) at which the Debt Securities will bear interest, if any, and the date from which any such interest will accrue; (ix) the Interest Payment Dates on which any such interest on the Debt Securities will be payable, the date on which payment of such interest, if any, will commence and the Regular Record Dates for any interest payable on any Debt Securities which are Registered Securities on any Interest Payment Date and the extent to which, or the manner in which, any interest payable on a temporary global

Debt Security on an Interest Payment Date will be paid; (x) any mandatory or optional sinking fund or analogous provisions; (xi) each office or agency where, subject to the terms of the Indentures as described below under "Payment and Paying Agents," the principal of and any premium and interest on the Debt Securities will be payable and each office or agency where, subject to the terms of the Indentures as described below under "Form, Exchange, Registration and Transfer," the Debt Securities may be presented for registration of transfer or exchange; (xii) the right, if any, or obligation, if any, of the Company to redeem the Debt Securities at its option and the period or periods, if any, within which and the price or prices at which the Debt Securities may, pursuant to any optional or mandatory redemption provisions, be redeemed, in whole or in part, and the other detailed terms and provisions of any such optional or mandatory redemption; (xiii) the denominations in which any Debt Securities which are Registered Securities will be issuable, if other than denominations of \$1,000 and any integral multiple thereof, and the denomination or denominations in which any Debt Securities which are Bearer Securities will be issuable, if other than the denomination of \$5,000; (xiv) the currency or currencies (including composite currencies) in which payment of principal of and any premium and interest on the Debt Securities is payable if other than United States dollars; (xv) any index used to determine the amount of payments of principal of and any premium and interest on the Debt Securities; (xvi) information with respect to book-entry procedures, if any; (xvii) any deletions from, modification of or additions to the Events of Default or covenants of the Company with respect to such Debt Securities; and (xviii) any other terms of the Debt Securities not inconsistent with the provisions of the Indentures. (Section 301) Any such Prospectus Supplement will also describe any special provisions for the payment of additional amounts with respect to the Debt Securities.

DEBT SECURITIES MAY BE ISSUED AS ORIGINAL ISSUE DISCOUNT SECURITIES. An Original Issue Discount Security is a Debt Security, including any zero-coupon security, which is issued at a price lower than the amount payable upon the Stated Maturity thereof and which provides that upon redemption or acceleration of the maturity thereof an amount less than the amount payable upon the Stated Maturity thereof and determined in accordance with the terms of such Debt Security shall become due and payable. Special United States federal income tax considerations applicable to Debt Securities issued at an original issue discount, including Original Issue Discount Securities, and special United States tax considerations and other terms and restrictions applicable to any Debt Securities which are issued in bearer form, offered exclusively to United States Aliens or denominated in other than United States dollars, will be set forth in a Prospectus Supplement relating thereto.

FORM, EXCHANGE, REGISTRATION AND TRANSFER. Debt Securities of a series may be issuable in definitive form solely as Registered Securities, solely as Bearer Securities or as both Registered Securities and Bearer Securities. Unless otherwise indicated in an applicable Prospectus Supplement, Bearer Securities will have interest coupons attached. The Indentures also provide that Debt Securities of a series may be issuable in temporary or permanent global form. (Section 201)

Registered Securities of any series will be exchangeable for other Registered Securities of the same series of any authorized denominations and of a like aggregate principal amount and tenor. In addition, if Debt Securities of any series are issuable as both Registered Securities and Bearer Securities, at the option of the Holder, and subject to the terms of the applicable Indenture, Bearer Securities (with all unmatured coupons, except as provided below, and all matured coupons in default) of such series will be exchangeable for Registered Securities of the same series of any authorized denominations and of a like aggregate principal amount and tenor. Bearer Securities surrendered in exchange for Registered Securities between a Regular Record Date or a Special Record Date and the relevant date for payment of interest shall be surrendered without the coupon relating to such date for payment of interest, and interest accrued as of such date for payment of interest will not be payable in respect of the Registered Security issued in exchange for such Bearer Security, but will be payable only to the Holder of such coupon when due in accordance with the terms of the applicable Indenture. Bearer Securities will not be issued in exchange for Registered Securities. (Section 305)

Debt Securities may be presented for exchange as provided above, and Registered Securities may be presented for registration of transfer (with the form of transfer endorsed thereon duly executed), at the office of the Security Registrar or at the office of any transfer agent designated by the Company for such purpose with respect to any series of Debt Securities and referred to in an applicable Prospectus Supplement, without service charge and upon payment of any taxes and other governmental charges as described in the Indentures. Such transfer or exchange will be effected upon the Security Registrar or such transfer agent, as the case may be, being satisfied with the documents of title and identity of the person making the request. Unless otherwise indicated in any Prospectus Supplement, the Company will serve as Security Registrar. (Section 305) If a Prospectus Supplement refers to any transfer agents (in addition to the Security Registrar) initially designated by the Company with respect to any series of Debt Securities, the Company may at any time rescind the designation of any such transfer agent or approve a change in the location through which any such transfer agent acts, except that, if Debt Securities of a series are issuable solely as Registered Securities, the Company will be required to maintain a transfer agent in each Place of Payment for such series and, if Debt Securities of a series are also issuable as Bearer Securities, the Company will be required to maintain (in addition to the Security Registrar) a transfer agent in a Place of Payment for such series located outside the United States. The Company may at any time designate additional transfer agents with respect to any series of Debt Securities. (Section 1002)

Title to any Bearer Securities (including Bearer Securities in permanent global form) and any coupons appertaining thereto will pass by delivery. The Company, the Trustee and any agent of the Company or the Trustee may treat the bearer of any Bearer Security and the bearer of any coupon and the registered holder of any Registered Security as the owner thereof (whether or not such Debt Security or coupon shall be overdue and notwithstanding any notice to the contrary) for the purpose of making payment and for all other purposes. (Section 308)

In the event of any redemption in part, the Company shall not be required to (i) issue, register the transfer of or exchange Debt Securities of any series during a period beginning at the opening of business 15 days prior to the selection of Debt Securities of that series for redemption and ending on the close of business on (A) if Debt Securities of the series are issuable only as Registered Securities, the day of mailing of the relevant notice of redemption and (B) if Debt Securities of the series are issuable as Bearer Securities, the date of the first publication of the relevant notice of redemption or, if Securities of the series are also issuable as Registered Securities and there is no publication, the mailing of the relevant notice of redemption; (ii) register the transfer of or exchange any Registered Security, or portion thereof, called for redemption, except the unredeemed portion of any Registered Security being redeemed in part; or (iii) exchange any Bearer Security called for redemption, except to exchange such Bearer Security for a Registered Security of that series and like tenor which is immediately surrendered for redemption. (Section 305)

REPLACEMENT OF SECURITIES AND COUPONS. Any mutilated Debt Security or a Debt Security with a mutilated coupon appertaining thereto will be replaced by the Company at the expense of the Holder upon surrender of such Debt Security to the Trustee. Debt Securities or coupons that become destroyed, stolen or lost will be replaced by the Company at the expense of the Holder upon delivery to the Trustee of the Debt Security and coupons or evidence of destruction, loss or theft thereof satisfactory to the Company and the Trustee; in the case of any coupon which becomes destroyed, stolen or lost, such coupon will be replaced by issuance of a new Debt Security in exchange for the Debt Security to which such coupon appertains. In the case of a destroyed, lost or stolen Debt Security or coupon, an indemnity satisfactory to the Trustee and the Company may be required at the expense of the Holder of such Debt Security or coupon before a replacement Debt Security will be issued. (Section 306)

PAYMENT AND PAYING AGENTS. Unless otherwise indicated in an applicable Prospectus Supplement, payment of principal of and any premium and interest on Bearer Securities will be payable, subject to any applicable laws and regulations, at the offices of such Paying Agents outside the United States as the Company may designate from time to time, in the manner indicated in such Prospectus Supplement.

(Section 1002) Unless otherwise indicated in an applicable Prospectus Supplement, payment of interest on Bearer Securities on any Interest Payment Date will be made only against surrender to the Paying Agent of the coupon relating to such Interest Payment Date. (Section 1001) No payment with respect to any Bearer Security will be made at any office or agency of the Company in the United States or by check mailed to any address in the United States or by transfer to any account maintained with a bank located in the United States. Notwithstanding the foregoing, payments of principal of and any premium and interest on Bearer Securities denominated and payable in U.S. dollars will be made at the office of the Company's Paying Agent in the Borough of Manhattan, the City of New York, if (but only if) payment of the full amount thereof in U.S. dollars at all offices or agencies outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions. (Section 1002)

Unless otherwise indicated in an applicable Prospectus Supplement, payment of principal of and any premium and interest on Registered Securities will be made at the office of such Paying Agent or Paying Agents as the Company may designate from time to time, except that at the option of the Company payment of any interest may be made by check mailed on or before the due date to the address of the Person entitled thereto as such address shall appear in the Security Register. (Sections 307, 1002) Unless otherwise indicated in an applicable Prospectus Supplement, payment of any installment of interest on Registered Securities will be made to the Person in whose name such Registered Security is registered at the close of business on the Regular Record Date for such interest. (Section 307)

Unless otherwise indicated in an applicable Prospectus Supplement, the Company, at its principal executive offices in Houston, Texas, will act as its own Paying Agent for payments with respect to Debt Securities which are issuable solely as Registered Securities and the Company will maintain a Paying Agent outside the United States for payments with respect to Debt Securities (subject to limitations described above in the case of Bearer Securities) which are issuable solely as Bearer Securities or as both Registered Securities and Bearer Securities. Any Paying Agents outside the United States and any other Paying Agents in the United States initially designated by Company for the Debt Securities will be named in an applicable Prospectus Supplement. The Company may at any time designate additional Paying Agents or rescind the designation of any Paying Agent or approve a change in the office through which any Paying Agent acts, except that, if Debt Securities of a series are issuable solely as Registered Securities, the Company will be required to maintain a Paying Agent in each Place of Payment for such series and, if Debt Securities of a series are issuable as Bearer Securities, the Company will be required to maintain (i) a Paying Agent in the Borough of Manhattan, The City of New York for principal payments with respect to any Registered Securities of the series (and for payments with respect to Bearer Securities of the series in the circumstances described above, but not otherwise), and (ii) a Paying Agent in a Place of Payment located outside the United States where Debt Securities of such series and any coupons appertaining thereto may be presented and surrendered for payment. (Section 1002)

All moneys paid by the Company to a Paying Agent for the payment of principal of and any premium or interest on any Debt Security which remain unclaimed at the end of two years after such principal, premium or interest shall have become due and payable will (subject to applicable escheat laws) be repaid to the Company, and the Holder of such Debt Security or any coupon will thereafter look only to the Company for payment thereof. (Section 1003)

GLOBAL DEBT SECURITIES. Debt Securities of a series may be issued in whole or in part in the form of one or more global Debt Securities that will be deposited with, or on behalf of, a depository identified in the Prospectus Supplement relating to such series. Global Debt Securities may be issued only in fully registered form and in either temporary or permanent form. (Section 203) Unless and until it is exchanged in whole or in part for the individual Debt Securities represented thereby, a global Debt Security may not be transferred except as a whole by the depository for such global Debt Security to a nominee of such depository or by a nominee of such depository to such depository or another nominee of such depository or by the depository or any nominee to a successor depository or any nominee of such successor.

The specific terms of the depository arrangement with respect to a series of Debt Securities in the form of one or more global Debt Securities will be described in the Prospectus Supplement relating to such series.

SATISFACTION AND DISCHARGE OF INDENTURE. Each Indenture provides that the Company may discharge the Indenture (except as to any surviving rights of registration of transfer or exchange of Debt Securities and any right to receive additional amounts) with respect to all Debt Securities issued under the Indenture, which Debt Securities have not already been delivered to the Trustee for cancellation and which either have become due and payable or are by their terms due and payable within one year (or are to be called for redemption within one year) by depositing with the Trustee as trust funds an amount sufficient to pay when due the principal of and premium, if any, and interest, if any, on all outstanding Debt Securities when due. (Section 401).

DEFEASANCE AND DISCHARGE. Each Indenture provides that, if the Company so elects by Board Resolution with respect to the Debt Securities of any series issued under such Indenture (other than convertible Subordinated Debt Securities), the Company will be discharged from any and all obligations in respect of the Debt Securities of such series (except for certain obligations relating to temporary Debt Securities and exchange of Debt Securities, registration of transfer or exchange of Debt Securities of such series, replacement of stolen, lost or mutilated Debt Securities of such series, maintenance of paying agencies to hold moneys for payment in trust and payment of additional amounts, if any, required in consequence of United States withholding taxes imposed on payments to non-United States persons) upon the deposit with the Trustee, in trust, of money and/or U.S. Government Obligations which through the payment of interest and principal in respect thereof in accordance with their terms will provide money in an amount sufficient to pay the principal of (and premium, if any), and each installment of interest on, the Debt Securities of such series on the Stated Maturity of such payments in accordance with the terms of such Indenture and the Debt Securities of such series. (Sections 1302, 1304) Such a trust may only be established if, among other things, the Company has delivered to the Trustee an Opinion of Counsel to the effect that (i) the Company has received from, or there has been published by, the Internal Revenue Service a ruling, or (ii) since the date of such Indenture there has been a change in applicable federal income tax law, in either case to the effect that, and based thereon such Opinion of Counsel shall confirm that, the Holders of such series will not recognize income, gain or loss for federal income tax purposes as a result of such deposit, defeasance and discharge, and will be subject to federal income tax on the same amounts and in the same manner and at the same times as would have been the case if such deposit, defeasance and discharge had not occurred. (Section 1304) In the event of any such defeasance and discharge of Debt Securities of such series, Holders of such series would be entitled to look only to such trust fund for payment of principal of and any premium and any interest on their Debt Securities until Maturity.

COVENANT DEFEASANCE. Each Indenture also provides that, if the Company so elects by Board Resolution with respect to the Debt Securities of any series issued thereunder, the Company may omit to comply with certain restrictive covenants, including (in the case of the Senior Debt Indenture) the covenants described under "--Provisions Applicable Solely to Senior Debt Securities--Limitation on Liens" and "--Limitations on Sale and Leaseback Transactions," but excluding (in the case of the Subordinated Debt Indenture) any applicable obligation of the Company respecting the conversion of Debt Securities of such series into Common Stock, and any such omission shall not be an Event of Default with respect to the Debt Securities of such series, upon the deposit with the Trustee, in trust, of money and/ or U.S. Government Obligations which through the payment of interest and principal in respect thereof in accordance with their terms will provide money in an amount sufficient to pay the principal of (and premium, if any), and each installment of interest on, the Debt Securities of such series on the Stated Maturity of such payments in accordance with the terms of such Indenture and the Debt Securities of such series. The obligations of the Company under such Indenture and the Debt Securities of such series other than with respect to such covenants shall remain in full force and effect. (Section 1303) Such a trust may be

established only if, among other things, the Company has delivered to the Trustee an Opinion of Counsel to the effect that the Holders of such series will not recognize income, gain or loss for federal income tax purposes as a result of such deposit and defeasance of certain obligations and will be subject to federal income tax on the same amounts and in the same manner and at the same time as would have been the case if such deposit and defeasance had not occurred. (Section 1304)

Although the amount of money and U.S. Government Obligations on deposit with the Trustee would be intended to be sufficient to pay amounts due on the Debt Securities of such series at the time of their Stated Maturity, in the event the Company exercises its option to omit compliance with the covenants defeased with respect to the Debt Securities of any series as described above, and the Debt Securities of such series are declared due and payable because of the occurrence of any Event of Default, such amount may not be sufficient to pay amounts due on the Debt Securities of such series at the time of the acceleration resulting from such Event of Default. The Company shall in any event remain liable for such payments as provided in the applicable Indenture.

FEDERAL INCOME TAX CONSEQUENCES. Under current United States federal income tax law, defeasance and discharge would likely be treated as a taxable exchange of Debt Securities to be defeased for an interest in the defeasance trust. As a consequence, a holder would recognize gain or loss equal to the difference between the holder's cost or other tax basis for such Debt Securities and the value of the holder's interest in the defeasance trust, and thereafter would be required to include in income the holder's share of the income, gain or loss of the defeasance trust. Under current United States federal income tax law, covenant defeasance would ordinarily not be treated as a taxable exchange of such Debt Securities.

MEETINGS, MODIFICATION AND WAIVER. Modifications and amendments of either Indenture may be made by the Company and the Trustee with the consent of the Holders of a majority in aggregate principal amount of the Outstanding Securities of each series affected by such modification or amendment; provided, however, that no such modification or amendment may, without the consent of the Holder of each Outstanding Security affected thereby, (a) change the Stated Maturity of the principal of, or any installment of principal of or interest on, any Debt Security, (b) change the Redemption Date with respect to any Debt Security, (c) reduce the principal amount of, or premium or interest on, any Debt Security, (d) change any obligation of the Company to pay additional amounts, (e) reduce the amount of principal of an Original Issue Discount Security payable upon acceleration of the Maturity thereof, (f) change the coin or currency in which any Debt Security or any premium or interest thereon is payable, (g) change the redemption right of any Holder, (h) impair the right to institute suit for the enforcement of any payment on or with respect to any Debt Security or any conversion right with respect thereto, (i) reduce the percentage in principal amount of Outstanding Securities of any series, the consent of whose Holders is required for modification or amendment of such Indenture or for waiver of compliance with certain provisions of such Indenture or for waiver of certain defaults, (j) reduce the requirements contained in such Indenture for quorum or voting, (k) change any obligation of the Company to maintain an office or agency in the places and for the purposes required by such Indenture, (l) adversely affect the right to convert Subordinated Debt Securities, if applicable, or (m) modify any of the above provisions. (Section 902)

The Subordinated Debt Indenture may not be amended to alter the subordination of any outstanding Subordinated Debt Securities without the consent of each holder of Senior Indebtedness (as defined below under "--Provisions Applicable Solely to Subordinated Debt Securities") then outstanding that would be adversely affected thereby. (Section 907 of the Subordinated Debt Indenture)

The Holders of a majority in aggregate principal amount of the Outstanding Securities of each series may, on behalf of all Holders of that series, waive, insofar as that series is concerned, compliance by the Company with certain restrictive provisions of the Indenture under which such series has been issued. (Section 1007 of the Senior Debt Indenture; Section 1008 of the Subordinated Debt Indenture) The

Holder of a majority in aggregate principal amount of the Outstanding Securities, of each series may, on behalf of all Holders of that series, waive any past default under the applicable Indenture with respect to any Debt Securities of that series, except a default (a) in the payment of principal of, or premium, if any, or any interest on any Debt Security of such series or (b) in respect of a covenant or provision of such Indenture which cannot be modified or amended without the consent of the Holder of each Outstanding Security of such series affected. (Section 513)

Each Indenture provides that in determining whether the Holders of the requisite principal amount of the Outstanding Securities have given any request, demand, authorization, direction, notice, consent or waiver thereunder or are present at a meeting of the Holders for quorum purposes, (i) the principal amount of an Original Issue Discount Security that is deemed to be Outstanding will be the amount of the principal that would be due and payable as of the date of such determination upon acceleration of the Maturity thereof, and (ii) the principal amount of a Debt Security denominated in a foreign currency or currency units will be the U.S. dollar equivalent, determined on the date of original issuance of such Debt Security, of the principal amount of such Debt Security or, in the case of an Original Issue Discount Security, the U.S. dollar equivalent, determined on the date of original issuance of such Security, of the amount determined as provided in (i) above. (Section 101)

Each Indenture contains provisions for convening meetings of the Holders of a series if Debt Securities of that series are issuable as Bearer Securities. (Section 1401) A meeting may be called at any time by the Trustee, and also, upon request, by the Company or the Holders of at least 10% in aggregate principal amount of the Outstanding Securities of such series, in any such case upon notice given in accordance with "Notices" below. (Section 1402) Except for any consent which must be given by the Holder of each Outstanding Security affected thereby, as described above, any resolution presented at a meeting (or adjourned meeting at which a quorum is present) may be adopted by the affirmative vote of the Holders of a majority in aggregate principal amount of the Outstanding Securities of that series; provided, however, that any resolution with respect to any request, demand, authorization, direction, notice, consent, waiver or other action which may be made, given or taken by the Holders of a specified percentage, which is less than a majority, in aggregate principal amount of the Outstanding Securities of a series may be adopted at a meeting (or adjourned meeting duly reconvened at which a quorum is present) by the affirmative vote of the Holders of such specified percentage in aggregate principal amount of the Outstanding Securities of that series. Any resolution passed or decision taken at any meeting of Holders of any series duly held in accordance with the applicable Indenture will be binding on all Holders of that series and related coupons. The quorum at any meeting, and at a reconvened meeting, will be Persons holding or representing a majority in aggregate principal amount of the Outstanding Securities of a series. (Section 1404).

NOTICES. Except as otherwise provided in an applicable Prospectus Supplement, notices to Holders of Bearer Securities will be given by publication at least twice in a daily newspaper in the City of New York and in such other city or cities as may be specified in such Bearer Securities. Notices to Holders of Registered Securities will be given by first-class mail to the addresses of such Holders as they appear in the Security Register. (Section 106)

GOVERNING LAW. The Indentures, the Debt Securities and coupons will be governed by, and construed in accordance with, the laws of the State of New York. (Section 113)

REGARDING THE TRUSTEE. The Trustee appointed and serving as trustee pursuant to each of the Senior Debt Indenture and the Subordinated Debt Indenture is Chase Bank.

Each Indenture contains certain limitations on the right of the Trustee, should it become a creditor of the Company, to obtain payment of claims in certain cases, or to realize for its own account on certain property received in respect of any such claim as security or otherwise. (Section 613) The Trustee is permitted to engage in certain other transactions; however, if it acquires any conflicting interest (as described in the Indentures), it must eliminate such conflict or resign. (Section 608)

The holders of a majority in principal amount of all outstanding Debt Securities of a series (or if more than one series is affected thereby, all series so affected, voting as a single class) will have the right to direct the time, method and place of conducting any proceeding for exercising any remedy or power available to the Trustee for such series or all such series so affected.

In case an Event of Default shall occur (and shall not be cured) under any Indenture relating to a series of Debt Securities and is known to the Trustee for such series, such Trustee shall exercise such of the rights and powers vested in it by such Indenture and use the same degree of care and skill in its exercise as a prudent person would exercise or use under the circumstances in the conduct of his own affairs. Subject to such provisions, no Trustee will be under any obligation to exercise any of its rights or powers under the applicable Indenture at the request of any of the holders of Debt Securities unless they shall have offered to such Trustee security and indemnity satisfactory to it.

Pursuant to the Trust Indenture Act, a trustee under an indenture may be deemed to have a conflicting interest, and may, under certain circumstances set forth in the Trust Indenture Act, be required to resign as trustee under such indenture, if the securities under such indenture are in default (as such term is defined in such indenture) and the trustee is the trustee under another indenture under which any other securities of the same obligor are outstanding, subject to certain exceptions set forth in the Trust Indenture Act. In such event, the obligor must take prompt steps to have a successor trustee appointed in the manner provided in the indenture from which the trustee has resigned. Accordingly, Chase Bank, as trustee under the Senior Debt Indenture and the Subordinated Debt Indenture, could be required to resign as trustee under one of such Indentures should a default occur under one of such Indentures. In such event, the Company would be required to take prompt steps to have a successor trustee or successor trustees appointed in the manner provided in the applicable Indenture.

Chase Bank, as the trustee under the Senior Debt Indenture and the Subordinated Debt Indenture, may be a depository for funds of, may make loans to and may perform other routine banking services for the Company and certain of its affiliates in the normal course of business.

PROVISIONS APPLICABLE SOLELY TO SENIOR DEBT SECURITIES

GENERAL. Senior Debt Securities will be issued under the Senior Debt Indenture, and each series will rank pari passu as to the right of payment of principal and any premium and interest with each other series issued thereunder and will rank senior to all series of Subordinated Debt Securities issued and outstanding and that may be issued from time to time.

CERTAIN DEFINITIONS. For purposes of the following discussion, the following definitions are applicable (Section 1008 and 1009 of the Senior Debt Indenture).

"Attributable Debt" shall mean, as of any particular time, the present value, discounted at a rate per annum equal to (i) the implied lease rate of or (ii) if the implied lease rate is not known to the Company, then the weighted average interest rate of all Senior Debt Securities outstanding at the time under the Senior Debt Indenture compounded semi-annually, in either case, of the obligation of a lessee for rental payments during the remaining term of any lease (including any period for which such lease has been extended or may, at the option of the lessor, be extended); the net amount of rent required to be paid for any such period shall be the total amount of the rent payable by the lessee with respect to such period, but may exclude amounts required to be paid on account of maintenance and repairs, insurance, taxes, assessments, water rates and similar charges; and, in the case of any lease which is terminable by the lessee upon the payment of a penalty, such net amount shall also include the amount of such penalty, but no rent shall be considered as required to be paid under such lease subsequent to the first date upon which it may be so terminated.

The term "Consolidated Net Tangible Assets" shall mean, at any date of determination, the total amount of assets of the Company after deducting therefrom (i) all the current liabilities (excluding (a) any

current liabilities that by their terms are extendible or renewable at the option of the obligor thereon to a time more than 12 months after the time as of which the amount thereof is being computed, and (b) current maturities of long term debt) and (ii) the value (net of any applicable reserves) of all intangible assets such as excess of cost over net assets of acquired businesses, customer lists, covenants not to compete, licenses, and permits, all as set forth on the consolidated balance sheet of the Company and its consolidated Subsidiaries for the Company's most recently completed fiscal quarter, prepared in accordance with United States generally accepted accounting principles.

"Funded Debt" shall mean any Indebtedness which by its terms matures at or is extendible or renewable at the sole option of the obligor without requiring the consent of the obligee to a date more than twelve months after the date of the creation of such Indebtedness.

"Guaranty" shall mean any agreement, undertaking or arrangement by which any Person guarantees, endorses or otherwise becomes or is contingently liable upon (by direct or indirect agreement, contingent or otherwise, to provide funds for payment, to supply funds to, or otherwise to invest in, a debtor, or otherwise to assure a creditor against loss) the debt, obligation or other liability of any other Person (other than by endorsements of instruments in the course of collection), or guarantees the payment of dividends or other distributions upon the shares of any other Person. The amount of the obligor's obligation under any Guaranty shall (subject to any limitation set forth therein) be deemed to be the amount of such other Person's debt, obligation or other liability or the amount of such dividends or other distributions guaranteed.

"Indebtedness" of any Person shall mean

(a) all obligations of such Person for borrowed money (including, without limitation, all notes payable and drafts accepted representing extension of credit and all obligations evidenced by bonds, debentures, notes or other similar instruments) or on which interest charges are customarily paid, all as shown on a balance sheet of such Person as of the date at which Indebtedness is to be determined;

(b) all other items which, in accordance with generally accepted accounting principles, would be included as liabilities on the liability side of a balance sheet of such Person as of the date at which Indebtedness is to be determined; and

(c) whether or not so included as liabilities in accordance with generally accepted accounting principles,

(i) all indebtedness (excluding, however, prepaid interest thereon) secured by a Security Interest in property owned or being purchased by such Person (including, without limitation, indebtedness arising under conditional sales or other title retention agreements) whether or not such indebtedness shall have been assumed by such Person, and

(ii) all Guaranties of such Person.

"Principal Property" shall mean any waste processing, waste disposal or resource recovery plant or similar facility located within the United States (other than its territories and possessions and Puerto Rico) or Canada and owned by, or leased to, the Company or any Restricted Subsidiary, except (a) any such plant or facility (i) owned or leased jointly or in common with one or more persons other than the Company and its Restricted Subsidiaries in which the interest of the Company and its Restricted Subsidiaries does not exceed 50%, or (ii) which the Board of Directors determines in good faith is not of material importance to the total business conducted, or assets owned, by the Company and its Subsidiaries as an entirety, or (b) any portion of such plant or facility which the Board of Directors determines in good faith not to be of material importance to the use or operation thereof.

"Restricted Subsidiary" shall mean any Subsidiary (other than any Subsidiary of which the Company owns directly or indirectly less than all of the outstanding Voting Stock) (a) principally engaged in, or

whose principal assets consist of property used by the Company or any Restricted Subsidiary in, the storage, collection, transfer, interim processing or disposal of waste within the United States of America or Canada, or (b) which the Company shall designate as a Restricted Subsidiary in an Officers' Certificate delivered to the Trustee.

"Security Instrument" shall mean any security agreement, chattel mortgage, assignment, financing or similar statement or notice, continuation statement, other agreement or instrument, or amendment or supplement to any thereof, providing for, evidencing or perfecting any Security Interest or lien.

"Security Interest" shall mean any interest in any real or personal property or fixture which secures payment or performance of an obligation and shall include any mortgage, lien, encumbrance, charge or other security interest of any kind, whether arising under a Security Instrument or as a matter of law, judicial process or otherwise.

CONSOLIDATION, MERGER, SALE. The Senior Debt Indenture provides that the Company may not consolidate with or merge into any other Person or convey, transfer or lease its properties and assets substantially as an entirety to any Person, unless (1) the Person formed by such consolidation or into which the Company is merged or the Person which acquires by conveyance or transfer, or which leases, the properties and assets of the Company substantially as an entirety shall be a corporation, partnership or trust which shall expressly assume, by a supplemental indenture, executed and delivered to the Trustee, in form satisfactory to the Trustee, the due and punctual payment of the principal of and any premium and interest (including all additional amounts, if any, payable pursuant to the Senior Debt Indenture) on all the Senior Debt Securities and the performance or observance of every other covenant of the Senior Debt Indenture on the part of the Company to be performed or observed; and (2) immediately after giving effect to such transaction and treating any indebtedness which becomes an obligation of the Company or a Subsidiary as a result of such transaction as having been incurred by the Company or such Subsidiary at the time of such transaction, no Event of Default, and no event which, after notice or lapse of time or both, would become an Event of Default, shall have happened and be continuing. Upon any consolidation of the Company with, or merger of the Company into, any other Person or any, conveyance, transfer or lease of the properties and assets of the Company substantially as an entirety, the successor Person formed by such consolidation or into which the Company is merged or to which such conveyance, transfer or lease is made shall succeed to, and be substituted for, and may exercise every right and power of, the Company under the Senior Debt Indenture with the same effect as if such successor Person had been named as the Company herein, and thereafter, except in the case of a lease, the predecessor Person shall be relieved of all obligations and covenants under the Senior Debt Indenture and the Senior Debt Securities and coupons and may liquidate and dissolve. (Sections 801, 802 of the Senior Debt Indenture)

EVENT OF DEFAULT. Unless otherwise specified in the applicable Prospectus Supplement, an Event of Default is defined under the Senior Debt Indenture with respect to the Senior Debt Securities of any series issued under such Senior Debt Indenture as being one or more of the following events:

(1) default in the payment of any interest upon any Senior Debt Security of that series when it becomes due and payable, and continuance of such default for a period of 30 days; or

(2) default in the payment of the principal of (or premium, if any, on) any Senior Debt Security of that series as and when the same becomes due and payable whether at Stated Maturity, by declaration of acceleration, call for redemption or otherwise; or

(3) default in the deposit of any sinking fund payment, when and as due by the terms of a Senior Debt Security of that series; or

(4) default in the performance, or breach, of any other covenant or warranty of the Company in the Senior Debt Indenture (other than a covenant or warranty a default in whose performance or whose breach is elsewhere in Section 501 of the Senior Debt Indenture specifically dealt with or which has expressly been included in the Senior Debt Indenture solely for the benefit of a series of Senior Debt

Securities other than that series), and continuance of such default or breach for a period of 60 days after there has been given, by registered or certified mail, to the Company by the Trustee or to the Company and the Trustee by the Holders of at least 25% in principal amount of the Outstanding Senior Debt Securities of that series a written notice specifying such default or breach and requiring it to be remedied and stating that such notice is a "Notice of Default" under the Senior Debt Indenture; or

(5) the entry by a court having jurisdiction in the premises of (A) a decree or order for relief in respect of the Company in an involuntary case or proceeding under any applicable Federal or State bankruptcy, insolvency, reorganization or other similar law or (B) a decree or order adjudging the Company a bankrupt or insolvent, or approving as properly filed a petition seeking reorganization, arrangement, adjustment or composition of or in respect of the Company under any applicable Federal or State law, or appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Company or of any substantial part of its property, or ordering the winding up or liquidation of its affairs, and the continuance of any such decree or order for relief or any such other decree or order unstayed and in effect for a period of 90 consecutive days; or

(6) the commencement by the Company of a voluntary case or proceeding under any applicable Federal or State bankruptcy, insolvency, reorganization or other similar law or of any other case or proceeding to be adjudicated a bankrupt or insolvent, or the consent by it to the entry of a decree or order for relief in respect of the Company in an involuntary case or proceeding under any applicable Federal or State bankruptcy, insolvency, reorganization or other similar law or the commencement of any bankruptcy or insolvency case or proceeding against it, or the filing by it of a petition or answer or consent seeking reorganization or relief under any applicable Federal or State law, or the consent by it to the filing of such petition or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator or similar official of the Company or of any substantial part of its property, or the making by it of an assignment for the benefit of creditors, or the admission by it in writing of its inability to pay its debts generally as they become due, or the taking of corporate action by the Company in furtherance of any such action; or

(7) any other Event of Default provided with respect to Senior Debt Securities of that series. (Section 501 of the Senior Debt Indenture)

If an Event of Default with respect to Senior Debt Securities of any series at the time Outstanding occurs and is continuing, then in every such case, either the Trustee or the Holders of not less than 25% in principal amount of the Outstanding Senior Debt Securities of that series may declare the principal amount (or, if any of the Senior Debt Securities of that series are Original Issue Discount Securities, such portion of the principal amount of such Senior Debt Securities as may be specified in the terms thereof) of all of the Senior Debt Securities of that series to be due and payable immediately, by a notice in writing to the Company (and to the Trustee if given by Holders), and upon any such declaration such principal amount (or specified amount) shall become immediately due and payable. At any time after such a declaration of acceleration with respect to the Senior Debt Securities of any series has been made and before a judgment or decree for payment of the money due has been obtained by the Trustee, the Holders of a majority in principal amount of the Outstanding Senior Debt Securities of that series, by written notice to the Company and the Trustee, may rescind and annul such declaration and its consequences if: (1) the Company has paid or deposited with the Trustee a sum sufficient to pay (A) all overdue interest on all Senior Debt Securities of that series, (B) the principal of (and premium, if any, on) any Senior Debt Securities of that series which has become due otherwise than by such declaration of acceleration and any interest thereon at the rate or rates prescribed therefor in such Senior Debt Securities, (C) to the extent that payment of such interest is lawful, interest upon overdue interest at the rate or rates prescribed therefor in such Senior Debt Securities, and (D) all sums paid or advanced by the Trustee hereunder and the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel; and (2) all Events of Default with respect to Senior Debt Securities of that series, other than the non-payment of the principal of Senior Debt Securities of that series which has become due solely by such

declaration of acceleration, have been cured or waived as provided in the Senior Debt Indenture. No such rescission shall affect any subsequent default or impair any right consequent thereon. (Section 502 of the Senior Debt Indenture) If the Trustee or any Holder of a Senior Debt Security or coupon has instituted any proceeding to enforce any right or remedy under the Senior Debt Indenture and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Trustee or to such Holder, then and in every such case, subject to any determination in such proceeding, the Company, the Trustee and the Holders of Senior Debt Securities and coupons shall be restored severally and respectively to their former positions under the Senior Debt Indenture and the Senior Debt Securities and thereafter all rights and remedies of the Trustee and the Holders shall continue as though no such proceeding had been instituted. (Section 509 of the Senior Debt Indenture)

The Senior Debt Indenture provides that, subject to the duty of the Trustee during default to act with the required standard of care, the Trustee is under no obligation to exercise any of its rights or powers under such Indenture at the request or direction of any of the Holders, unless such Holders shall have offered to the Trustee reasonable indemnity. (Sections 601, 603 of the Senior Debt Indenture) No Holder of any Senior Debt Security of any series or any related coupons shall have any right to institute any proceeding, judicial or otherwise, with respect to the Senior Debt Indenture, or for the appointment of a receiver or trustee, or for any other remedy thereunder, unless (1) such Holder has previously given written notice to the Trustee of a continuing Event of Default with respect to the Senior Debt Securities of that series; (2) the Holders of not less than 25% in principal amount of the Outstanding Senior Debt Securities of that series shall have been made written request to the Trustee to institute proceedings in respect of such Event of Default in its own name as Trustee under the Senior Debt Indenture; (3) such Holder or Holders have offered to the Trustee reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request; (4) the Trustee for 60 days after its receipt of such notice, request and offer of indemnity has failed to institute any such proceeding; and (5) no direction inconsistent with such written request has been given to the Trustee during such 60-day period by the Holders of a majority in principal amount of the Outstanding Senior Debt Securities of that series. (Section 507 of the Senior Debt Indenture) Notwithstanding any other provisions in the Senior Debt Indenture, the right of any Holder of any Senior Debt Security or coupon to receive payment of the principal of and any premium and any interest on such Senior Debt Security or payment of such coupon on the Stated Maturity or Maturities expressed in such Senior Debt Security or coupon, or to institute suit for the enforcement of any such payment on or after such respective dates shall not be impaired or affected without the consent of such Holder. (Sections 508, 902 of the Senior Debt Indenture)

The Holders of a majority in principal amount of the Outstanding Senior Debt Securities of any series shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred on the Trustee, with respect to the Senior Debt Securities of such series, provided that (1) such direction shall not be in conflict with any rule of law or with the Senior Debt Indenture; (2) the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction; and (3) the Trustee shall not be obligated to take any action unduly prejudicial to Holders not joining in such direction or involving the Trustee in personal liability. (Section 512 of the Senior Debt Indenture) The Holders of a majority in principal amount of the Outstanding Senior Debt Securities of any series may on behalf of the Holders of all the Senior Debt Securities of such series waive any past default under the Senior Debt Indenture with respect to the Senior Debt Securities of such series and its consequences, except a default in the payment of the principal of or any premium or interest on any Senior Debt Security of such series or in respect of a covenant or provision of the Senior Debt Indenture which, pursuant to the Senior Debt Indenture, cannot be modified or amended without the consent of the Holder of each Outstanding Senior Debt Security of such series affected. Upon any such waiver, such default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured, for every purpose of the Senior Debt Indenture; but no such waiver shall extend to any subsequent or other default or impair any right consequent thereon. (Sections 513, 902 of the Senior Debt Indenture)

If a default occurs under the Senior Debt Indenture with respect to Senior Debt Securities of any series, the Trustee shall give the Holders of Senior Debt Securities of such series notice of such default as and to the extent provided by the Trust Indenture Act; provided, however, that in the case of any default or breach of certain covenants or warranties with respect to Senior Debt Securities of such series, no such notice to Holders shall be given until at least 30 days after the occurrence thereof (the term "default" for purposes of these provisions being defined as any event which is, or after notice or lapse of time or both would become, an Event of Default with respect to the Senior Debt Securities of such series). (Section 602 of the Senior Debt Indenture)

In any case in which Senior Debt Securities are Outstanding that are denominated in more than one currency and the Trustee is directed to make ratable payments under the Senior Debt Indenture to Holders of such Senior Debt Securities, unless otherwise provided with respect to any series of Senior Debt Securities, the Trustee shall calculate the amount of such payments as follows: (i) as of the day the Trustee collects an amount under the Senior Debt Indenture, the Trustee shall, as to each Holder of a Senior Debt Security to whom an amount is due and payable under the Senior Debt Indenture that is denominated in a foreign currency, determine that amount in Dollars that would be obtained for the amount owing such Holder, using the rate of exchange at which in accordance with normal banking procedures the Trustee could purchase in the City of New York Dollars with such amount owing; (ii) calculate the sum of all Dollar amounts determined under (i) and add thereto any amounts due and payable in Dollars; and (iii) using the individual amounts determined in (i) or any individual amounts due and payable in Dollars, as the case may be, as a numerator, and the sum calculated in (ii) as a denominator, calculate as to each Holder of a Senior Debt Security to whom an amount is owed under the Senior Debt Indenture the fraction of the amount collected under the Senior Debt Indenture payable to such Holder. Any expenses incurred by the Trustee in actually converting amounts owing Holders of Senior Debt Securities denominated in a currency other than that in which any amount is collected under the Senior Debt Indenture shall be likewise (in accordance with the foregoing) borne ratably by all Holders of Senior Debt Securities to whom amounts are payable under the Senior Debt Indenture. (Sections 506, 902 of the Senior Debt Indenture)

To the fullest extent allowed under applicable law, if for the purpose of obtaining judgment against the Company in any court it is necessary to convert the sum due in respect of the principal of, or premium, if any, or interest on, the Senior Debt Securities of any series (the "Required Currency") into a currency in which a judgment will be rendered (the "Judgment Currency"), the rate of exchange used shall be the rate at which in accordance with normal banking procedures the Trustee could purchase in the City of New York the Required Currency with the Judgment Currency on the Business Day in the City of New York next preceding that on which final judgment is given. Neither the Company nor the Trustee shall be liable for any shortfall nor shall either of them benefit from any windfall in payments to Holders of Senior Debt Securities under this provision of the Senior Debt Indenture caused by a change in exchange rates between the time the amount of a judgment against the Company is calculated as above and the time the Trustee converts the Judgment Currency into the Required Currency to make payments under the foregoing provisions of the Senior Debt Indenture to Holders of Senior Debt Securities, but payment of such judgment shall discharge all amounts owed by the Company on the claim or claims underlying such judgment. (Section 506 of the Senior Debt Indenture)

The Company is required to furnish to the Trustee annually a statement as to the compliance by the Company with all conditions and covenants under the Senior Debt Indenture. (Section 1006)

LIMITATION ON LIENS. Unless provided otherwise in the applicable Prospectus Supplement, the provisions of this covenant shall apply to each series of Senior Debt Securities issued under the Senior Debt Indenture:

(a) The Company will not, and will not permit any of its Restricted Subsidiaries to, create, incur, assume or suffer to exist, directly or indirectly, any Indebtedness secured by a Security Interest upon any

Principal Property of the Company or of a Restricted Subsidiary, whether owned as of the date of this Indenture or hereafter acquired, without making effective provision (and the Company hereby covenants that in any such case it shall make or cause to be made effective provision) whereby the Senior Debt Securities of that series then outstanding and any other Indebtedness of the Company or any Restricted Subsidiary then entitled thereto shall be secured by such Security Interest equally and ratably with (or, in the case of the Senior Debt Securities of that series and if the Company shall so determine, prior to) any and all other Indebtedness of the Company or any Restricted Subsidiary thereby secured for so long as any such other Indebtedness of the Company or any Restricted Subsidiary shall be so secured; provided, that nothing in the Senior Debt Indenture shall prevent, restrict or apply to Indebtedness secured by:

(1) (a) Any Security Interest upon property or assets which is created prior to or contemporaneously with, or within 360 days after, (i) in the case of the acquisition of such property or assets, the completion of such acquisition and (ii) in the case of the construction, development or improvement of such property or assets, the later to occur of the completion of such construction, development or improvement or the commencement of operation or use of the property or assets, which Security Interest secures or provides for the payment, financing or refinancing, directly or indirectly, of all or any part of the acquisition cost of such property or assets or the cost of construction, development or improvement thereof; or (b) any Security Interest upon property or assets existing at the time of the acquisition thereof, which Security Interest secures obligations assumed by the Company or any Restricted Subsidiary; or (c) any conditional sales agreement or other title retention agreement with respect to any property or assets acquired by the Company or any Restricted Subsidiary, or (d) any Security Interest existing on the property or assets or shares of stock of a corporation or firm at the time such corporation or firm is merged into or consolidated with the Company or any Restricted Subsidiary or at the time of a sale, lease or other disposition of the property or assets of such corporation or firm as an entirety or substantially as an entirety to the Company or any Restricted Subsidiary or at the time such corporation becomes a Restricted Subsidiary; or (e) any Security Interest existing on the property, assets or shares of stock of any successor which shall have become the Company in accordance with the provisions of the covenant described in "--Provisions Applicable Solely to Senior Debt Securities--Consolidation, Merger and Sale of Assets"; provided, in each case, that any such Security Interest described in the foregoing clauses (b), (c), (d) or (e) does not attach to or affect property or assets owned by the Company or any Restricted Subsidiary prior to the event referred to in such clauses; or

(2) Mechanics', materialmen's, carriers' or other like liens arising in the ordinary course of business (including construction of facilities) in respect of obligations which are not due or which are being contested in good faith; or

(3) Any Security Interest arising by reason of deposits with, or the giving of any form of security to, any governmental agency or any body created or approved by law or governmental regulation, which is required by law or governmental regulation as a condition to the transaction of any business or the exercise of any privilege, franchise or license (including, without limitation, any Security Interest arising by reason of one or more letters of credit in connection with any international waste management contract to be performed by the Company or any of its Subsidiaries or their respective affiliates); or

(4) Security Interests for taxes, assessments or governmental charges or levies not yet delinquent or Security Interests for taxes, assessments or governmental charges or levies already delinquent but the validity of which is being contested in good faith; or

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

(6) Landlords' liens on fixtures located on premises leased by the Company or any Restricted Subsidiary in the ordinary course of business; or

(7) Any Security Interest in favor of any governmental authority in connection with the financing of the cost of construction or acquisition of property; or

(8) Any Security Interest arising by reason of deposits to qualify the Company or any Restricted Subsidiary to conduct business, to maintain self-insurance, or to obtain the benefit of, or comply with, laws; or

(9) Any Security Interest that secures any Indebtedness of a Restricted Subsidiary owing to the Company or another Restricted Subsidiary or by the Company to a Restricted Subsidiary, or

(10) Any Security Interest incurred in connection with pollution control, sewage or solid waste disposal, industrial revenue or similar financing; or

(11) Any Security Interest created by any program providing for the financing, sale or other disposition of trade or other receivables qualified as current assets in accordance with United States generally accepted accounting principles entered into by the Company or by any Restricted Subsidiary, provided that such program is on terms comparable for similar transactions, or any document executed by the Company or any Restricted Subsidiary in connection therewith, and provided that such Security Interest is limited to the trade or other receivables in respect of which such program is created or exists and the proceeds thereof, or

(12) Any extension, renewal or refunding (or successive extensions, renewals or refundings) in whole or in part of any Indebtedness secured by any Security Interest referred to in the foregoing clauses (1) through (11), inclusive, provided that the Security Interest securing such Indebtedness shall be limited to the property or assets which, immediately prior to such extension, renewal or refunding, secured such Indebtedness and additions to such property or assets.

Notwithstanding the foregoing provisions, the Company or any of its Restricted Subsidiaries may create, incur, assume or suffer to exist any Indebtedness secured by a Security Interest without so securing the Senior Debt Securities of that series if, at the time such Security Interest becomes a Security Interest upon any Principal Property of the Company or such Restricted Subsidiary and after giving effect thereto, the aggregate outstanding principal amount of all Indebtedness of the Company and its Restricted Subsidiaries secured by Security Interests permitted by this sentence (excluding Indebtedness secured by a Security Interest existing as of the date of the Senior Debt Indenture, but including the Attributable Debt in respect of Sale and Leaseback Transactions, other than Sale and Leaseback Transactions which, if the Attributable Debt in respect thereof had been Indebtedness secured by a Security Interest, would have been permitted by clause (1) (a) above, other Sale and Leaseback Transactions the proceeds of which have been applied or committed to be applied in accordance with the covenant described in "--Provisions Applicable Solely to Senior Debt Securities--Limitations on Sale and Leaseback Transactions" and other than Sale and Leaseback Transactions between the Company and any Restricted Subsidiary) does not exceed 15% of Consolidated Net Tangible Assets. (Section 1008 of the Senior Debt Indenture)

(b) If, upon any consolidation or merger of any Restricted Subsidiary with or into any other corporation, or upon any consolidation or merger of any other corporation with or into the Company or any Restricted Subsidiary or upon any sale or conveyance of the Principal Property of any Restricted Subsidiary as an entirety or substantially as an entirety to any other Person, or upon any acquisition by the Company or any Restricted Subsidiary by purchase or otherwise of all or any part of the Principal Property of any other Person, any Principal Property theretofore owned by the Company or such Restricted Subsidiary would thereupon become subject to any Security Interest not permitted by the terms of the foregoing covenant, the Company, prior to such consolidation, merger, sale or conveyance, or acquisition, will, or will cause such Restricted Subsidiary to, secure payment of the principal of and interest, if any, on the Senior Debt Securities of that series (equally and ratably with or prior to any other Indebtedness of the Company or such Restricted Subsidiary then entitled thereto) by a direct lien on all such Principal Property

prior to all liens other than any liens theretofore existing thereon by a supplemental indenture or otherwise. (Section 1008 of the Senior Debt Indenture)

LIMITATIONS ON SALE AND LEASEBACK TRANSACTIONS. Unless provided otherwise in the applicable Prospectus Supplement, the provisions of this covenant shall apply to each series of Senior Debt Securities issued under the Senior Debt Indenture:

The Company will not, and will not permit a Restricted Subsidiary to, enter into any arrangement with any Person (other than with any Restricted Subsidiary) providing for the leasing to the Company or any Restricted Subsidiary of any Principal Property owned or hereafter acquired by the Company or such Restricted Subsidiary (except for temporary leases for a term, including any renewal thereof, of not more than three years and except for leases between the Company and a Restricted Subsidiary or between Restricted Subsidiaries), which Principal Property has been or is to be sold or transferred by the Company or such Restricted Subsidiary to such person (a "Sale and Leaseback Transaction") unless (a) the Company or such Restricted Subsidiary would be entitled, pursuant to the covenant described in "--Provisions Applicable Solely to Senior Debt Securities--Limitation on Liens," to incur Indebtedness secured by a Security Interest on the property to be leased without equally and ratably securing the Senior Debt Securities of that series, or (b) the Company shall, and in any such case the Company covenants that it will, within 180 days after the effective date of any such arrangement, apply an amount equal to the fair value (as determined by the Board of Directors) of such property to the redemption of Senior Debt Securities that, by their terms, are subject to redemption, or to the purchase and retirement of Senior Debt Securities, or to the payment or other retirement of funded debt for money borrowed, incurred or assumed by the Company which ranks senior to or pari passu with the Senior Debt Securities of that series or of funded debt for money borrowed, incurred or assumed by any Restricted Subsidiary (other than, in either case, funded debt owed by the Company or any Restricted Subsidiary), or (c) the Company shall within 180 days after entering into the Sale and Leaseback Transaction, enter into a bona fide commitment or commitments to expend for the acquisition or capital improvement of a Principal Property an amount at least equal to the fair value (as determined by the Board of Directors) of such property. (Section 1009 of the Senior Debt Indenture)

Notwithstanding the foregoing, the Company may, and may permit any Restricted Subsidiary to, effect any Sale and Leaseback Transaction that is not acceptable pursuant to clauses (a) through (c), inclusive, of the foregoing covenant, provided that the Attributable Debt associated with such Sale and Leaseback Transaction, together with the aggregate principal amount of outstanding debt secured by Security Interests upon Principal Property not acceptable pursuant to clauses (1) through (12) of the covenant described in "--Provisions Applicable Solely to Senior Debt Securities--Limitation on Liens," inclusive, do not exceed 15% of Consolidated Net Tangible Assets. (Section 1009 of the Senior Debt Indenture)

PROVISIONS APPLICABLE SOLELY TO SUBORDINATED DEBT SECURITIES

CONSOLIDATION, MERGER, SALE. The Subordinated Debt Indenture provides that the Company may not consolidate with or merge into any other Person or convey, transfer or lease its properties and assets substantially as an entirety to any Person, unless (1) the Person formed by such consolidation or into which the Company is merged or the Person which acquires by conveyance or transfer, or which leases, the properties and assets of the Company substantially as an entirety shall be a corporation, partnership or trust, organized and validly existing under the laws of the United States of America, any State thereof or the District of Columbia and shall expressly assume, by a supplemental indenture, executed and delivered to the Trustee, in form satisfactory to the Trustee, the due and punctual payment of the principal of and any premium and interest (including all additional amounts, if any, payable pursuant to the Subordinated Debt Indenture) on all the Subordinated Debt Securities and the performance or observance of every other covenant of the Subordinated Debt Indenture on the part of the Company to be performed or observed; and (2) immediately after giving effect to such transaction and treating any indebtedness which becomes an obligation of the Company or a Subsidiary as a result of such transaction as having been

incurred by the Company or such Subsidiary at the time of such transaction, no Event of Default, and no event which, after notice or lapse of time or both, would become an Event of Default, shall have happened and be continuing. Upon any consolidation of the Company with, or merger of the Company into, any other Person or any conveyance, transfer or lease of the properties and assets of the Company substantially as an entirety, the successor Person formed by such consolidation or into which the Company is merged or to which such conveyance, transfer or lease is made shall succeed to, and be substituted for, and may exercise every right and power of the Company under the Subordinated Debt Indenture with the same effect as if such successor Person had been named as the Company herein, and thereafter, except in the case of a lease, the predecessor Person shall be relieved of all obligations and covenants under the Subordinated Debt Indenture and the Subordinated Debt Securities and coupons and may liquidate and dissolve. (Sections 801, 802 of the Subordinated Debt Indenture)

EVENT OF DEFAULT. Unless otherwise specified in the applicable Prospectus Supplement, an Event of Default is defined under the Subordinated Debt Indenture with respect to the Subordinated Debt Securities of any series issued under such Subordinated Debt Indenture as being one or more of the following events:

(1) default in the payment of any interest upon any Subordinated Debt Security of that series when it becomes due and payable, and continuance of such default for a period of 30 days; or

(2) default in the payment of the principal of (or premium, if any, on) any Subordinated Debt Security of that series as and when the same becomes due and payable, whether at Stated Maturity or by declaration of acceleration, call for redemption or otherwise; or

(3) default in the deposit of any sinking fund payment, when and as due by the terms of a Subordinated Debt Security of that series; or

(4) default in the performance, or breach, of any other covenant or warranty of the Company in the Subordinated Debt Indenture (other than a covenant or warranty a default in whose performance or whose breach is elsewhere in Section 501 of the Subordinated Debt Indenture specifically dealt with or which has expressly been included in the Subordinated Debt Indenture solely for the benefit of a series of Subordinated Debt Securities other than that series), and continuance of such default or breach for a period of 90 days after there has been given, by registered or certified mail, to the Company by the Trustee or to the Company and the Trustee by the Holders of at least 25% in principal amount of the Outstanding Subordinated Debt Securities of that series a written notice specifying such default or breach and requiring it to be remedied and stating that such notice is a "Notice of Default" under the Subordinated Debt Indenture; or

(5) the entry by a court having jurisdiction in the premises of (A) a decree or order for relief in respect of the Company in an involuntary case or proceeding under any applicable Federal or State bankruptcy, insolvency, reorganization or other similar law or (B) a decree or order adjudging the Company a bankrupt or insolvent, or approving as properly filed a petition seeking reorganization, arrangement, adjustment or composition of or in respect of the Company under any applicable Federal or State law, or appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Company or of any substantial part of its property, or ordering the winding up or liquidation of its affairs, and the continuance of any such decree or order for relief or any such other decree or order unstayed and in effect for a period of 90 consecutive days; or

(6) the commencement by the Company of a voluntary case or proceeding under any applicable Federal or State bankruptcy, insolvency, reorganization or other similar law or of any other case or proceeding to be adjudicated a bankrupt or insolvent, or the consent by it to the entry of a decree or order for relief in respect of the Company in an involuntary case or proceeding under any applicable Federal or State bankruptcy, insolvency, reorganization or other similar law or the commencement of any bankruptcy or insolvency case or proceeding against it, or the filing by it of a petition or answer or consent seeking reorganization or relief under any applicable Federal or State law, or the consent by it to the filing of such petition or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator or similar official of the Company or of any substantial part of its property, or the making by it of an assignment for the benefit of creditors, or the admission by it in writing of its inability to pay its debts generally as they become due, or the taking of corporate action by the Company in furtherance of any such action; or

(7) any other Event of Default provided with respect to Subordinated Debt Securities of that series. (Section 501 of the Subordinated Debt Indenture)

If an Event of Default with respect to Subordinated Debt Securities of any series at the time Outstanding occurs and is continuing, then in every such case, the Trustee or the Holders of not less than 25% in principal amount of the Outstanding Subordinated Debt Securities of that series may declare the principal amount (or, if any of the Subordinated Debt Securities of that series are Original Issue Discount Securities, such portion of the principal amount of such Subordinated Debt Securities as may be specified in the terms thereof) of all of the Subordinated Debt Securities of that series to be due and payable immediately, by a notice in writing to the Company (and to the Trustee if given by Holders), and upon any such declaration such principal amount (or specified amount) shall become immediately due and payable. At any time after such a declaration of acceleration with respect to the Subordinated Debt Securities of any series has been made and before a judgment or decree for payment of the money due has been obtained by the Trustee, the Holders of a majority in principal amount of the Outstanding Subordinated Debt Securities of that series, by written notice to the Company and the Trustee, may rescind and annul such declaration and its consequences if: (1) the Company has paid or deposited with the Trustee a sum sufficient to pay (A) all overdue interest on all Subordinated Debt Securities of that series, (B) the principal of (and premium, if any, on) any Subordinated Debt Securities of that series which has become due otherwise than by such declaration of acceleration and any interest thereon at the rate or rates prescribed therefor in such Subordinated Debt Securities, (C) to the extent that payment of such interest is lawful, interest upon overdue interest at the rate or rates prescribed therefor in such Subordinated Debt Securities, and (D) all sums paid or advanced by the Trustee hereunder and the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel; and (2) all Events of Default with respect to Subordinated Debt Securities of that series, other than the non-payment of the principal of Subordinated Debt Securities of that series which has become due solely by such declaration of acceleration, have been cured or waived as provided in the Subordinated Debt Indenture. No such rescission shall affect any subsequent default or impair any right consequent thereon. (Section 502 of the Subordinated Debt Indenture) If the Trustee or any Holder of a Subordinated Debt Security or coupon has instituted any proceeding to enforce any right or remedy under the Subordinated Debt Indenture and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Trustee or to such Holder, then and in every such case, subject to any determination in such proceeding, the Company, the Trustee and the Holders of Subordinated Debt Securities and coupons shall be restored severally and respectively to their former positions under the Subordinated Debt Indenture and the Subordinated Debt Securities and thereafter all rights and remedies of the Trustee and the Holders shall continue as though no such proceeding had been instituted. (Section 509 of the Subordinated Debt Indenture)

The Subordinated Debt Indenture provides that, subject to the duty of the Trustee during default to act with the required standard of care, the Trustee is under no obligation to exercise any of its rights or powers under such Indenture at the request or direction of any of the Holders, unless such Holders shall

have offered to the Trustee reasonable indemnity. (Sections 601, 603 of the Subordinated Debt Indenture) No Holder of any Subordinated Debt Security of any series or any related coupons shall have any right to institute any proceeding, judicial or otherwise, with respect to the Subordinated Debt Indenture, or for the appointment of a receiver or trustee, or for any other remedy thereunder, unless (1) such Holder has previously given written notice to the Trustee of a continuing Event of Default with respect to the Subordinated Debt Securities of that series; (2) the Holders of not less than 25% in principal amount of the Outstanding Subordinated Debt Securities of that series shall have made written request to the Trustee to institute proceedings in respect of such Event of Default in its own name as Trustee under the Subordinated Debt Indenture; (3) such Holder or Holders have offered to the Trustee reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request; (4) the Trustee for 60 days after its receipt of such notice, request and offer of indemnity has failed to institute any such proceeding; and (5) no direction inconsistent with such written request has been given to the Trustee during such 60-day period by the Holders of a majority in principal amount of the Outstanding Subordinated Debt Securities of that series. (Section 507 of the Subordinated Debt Indenture) Notwithstanding any other provisions in the Subordinated Debt Indenture, but subject to the subordination provisions of the Subordinated Debt Indenture, the right of any Holder of any Subordinated Debt Security or coupon to receive payment of the principal of and any premium and any interest on such Subordinated Debt Security or payment of such coupon on the Stated Maturity or Maturities expressed in such Subordinated Debt Security or coupon and, if applicable, to convert such Subordinated Debt Security as provided in the conversion provisions of the Subordinated Debt Indenture and to institute suit for the enforcement of any such payment or conversion right shall not be impaired without the consent of such Holder. (Sections 508, 902 of the Subordinated Debt Indenture)

The Holders of a majority in principal amount of the Outstanding Subordinated Debt Securities of any series shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred on the Trustee, with respect to the Subordinated Debt Securities of such series, provided that (1) such direction shall not be in conflict with any rule of law or with the Subordinated Debt Indenture; (2) the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction; and (3) the Trustee shall not be obligated to take any action unduly prejudicial to Holders not joining in such direction or involving the Trustee in personal liability. (Section 512 of the Subordinated Debt Indenture) The Holders of a majority in principal amount of the Outstanding Subordinated Debt Securities of any series may on behalf of the Holders of all the Subordinated Debt Securities of such series waive any past default under the Subordinated Debt Indenture with respect to the Subordinated Debt Securities of such series and its consequences, except a default in the payment of the principal of or any premium or interest on any Subordinated Debt Security of such series or in respect of a covenant or provision of the Subordinated Debt Indenture which, pursuant to the Subordinated Debt Indenture, cannot be modified or amended without the consent of the Holder of each Outstanding Subordinated Debt Security of such series affected. Upon any such waiver, such default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured, for every purpose of the Subordinated Debt Indenture; but no such waiver shall extend to any subsequent or other default or impair any right consequent thereon. (Sections 902, 513 of the Subordinated Debt Indenture)

If a default occurs under the Subordinated Debt Indenture with respect to Subordinated Debt Securities of any series, the Trustee shall give the Holders of Subordinated Debt Securities of such series notice of such default as and to the extent provided by the Trust Indenture Act; provided, however, that in the case of any default or breach of certain covenants or warranties with respect to Subordinated Debt Securities of such series, no such notice to Holders shall be given until at least 30 days after the occurrence thereof (the term "default" for purposes of these provisions being defined as any event which is, or after notice or lapse of time or both would become, an Event of Default with respect to the Subordinated Debt Securities of such series). (Section 602 of the Subordinated Debt Indenture)

In any case in which Subordinated Debt Securities are Outstanding that are denominated in more than one currency and the Trustee is directed to make ratable payments under the Subordinated Debt Indenture to Holders of such Subordinated Debt Securities, unless otherwise provided with respect to any series of Subordinated Debt Securities, the Trustee shall calculate the amount of such payments as follows: (i) as of the day the Trustee collects an amount under the Subordinated Debt Indenture, the Trustee shall, as to each Holder of a Subordinated Debt Security to whom an amount is due and payable under the Subordinated Debt Indenture that is denominated in a foreign currency, determine that amount in Dollars that would be obtained for the amount owing such Holder, using the rate of exchange at which in accordance with normal banking procedures the Trustee could purchase in the City of New York Dollars with such amount owing; (ii) calculate the sum of all Dollar amounts determined under (i) and add thereto any amounts due and payable in Dollars; and (iii) using the individual amounts determined in (i) or any individual amounts due and payable in Dollars, as the case may be, as a numerator, and the sum calculated in (ii) as a denominator, calculate as to each Holder of a Subordinated Debt Security to whom an amount is owed under the Subordinated Debt Indenture the fraction of the amount collected under the Subordinated Debt Indenture payable to such Holder. Any expenses incurred by the Trustee in actually converting amounts owing Holders of Subordinated Debt Securities denominated in a currency other than that in which any amount is collected under the Subordinated Debt Indenture shall be likewise (in accordance with the foregoing) borne ratably by all Holders of Subordinated Debt Securities to whom amounts are payable under the Subordinated Debt Indenture. (Section 506 of the Subordinated Debt Indenture)

To the fullest extent allowed under applicable law, if for the purpose of obtaining judgment against the Company in any court it is necessary to convert the sum due in respect of the principal of, or premium, if any, or interest on, the Subordinated Debt Securities of any series (the "Required Currency") into a currency in which a judgment will be rendered (the "Judgment Currency"), the rate of exchange used shall be the rate at which in accordance with normal banking procedures the Trustee could purchase in the City of New York the Required Currency with the Judgment Currency on the Business Day in the City of New York next preceding that on which final judgment is given. Neither the Company nor the Trustee shall be liable for any shortfall nor shall it benefit from any windfall in payments to Holders of Subordinated Debt Securities under the Subordinated Debt Indenture caused by a change in exchange rates between the time the amount of a judgment against the Company is calculated as above and the time the Trustee converts the Judgment Currency into the Required Currency to make payments under the foregoing provisions of the Subordinated Debt Indenture to Holders of Subordinated Debt Securities, but payment of such judgment shall discharge all amounts owed by the Company on the claim or claims underlying such judgment. (Section 506 of the Subordinated Debt Indenture)

The Company is required to furnish to the Trustee annually a statement as to the compliance by the Company with all conditions and covenants under the Subordinated Debt Indenture. (Section 1007 of the Subordinated Debt Indenture)

SUBORDINATION. The Subordinated Debt Securities will be subordinate and junior in right of payment, to the extent set forth in the Subordinated Debt Indenture, to all Senior Indebtedness (as defined below) of the Company. If the Company should default in the payment of any principal of or premium or interest on any Senior Indebtedness when the same become due and payable, whether at maturity or a date fixed for prepayment or by declaration of acceleration or otherwise, then, upon written notice of such default to the Company by the holders of such Senior Indebtedness or any trustee therefor and subject to certain rights of the Company to dispute such default and subject to proper notification of the Trustee, unless and until such default has been cured or waived or ceases to exist, no direct or indirect payment (in cash, property, securities, by set-off or otherwise) will be made or agreed to be made for principal or premium, if any, or interest, if any, on the Subordinated Debt Securities, or in respect of any redemption, retirement, purchase or other acquisition of the Subordinated Debt Securities other than those made in capital stock of the Company (or cash in lieu of fractional shares thereof) pursuant to any conversion right of the

Subordinated Debt Securities or otherwise made in capital stock of the Company.
(Sections 1601, 1604 and 1605 of the Subordinated Debt Indenture)

"Senior Indebtedness" is defined in Section 101 of the Subordinated Debt Indenture as Indebtedness (as defined below) of the Company outstanding at any time except (a) any Indebtedness as to which, by the terms of the instrument creating or evidencing the same, it is provided that such Indebtedness is not senior in right of payment to the Subordinated Debt Securities, (b) the Subordinated Debt Securities, (c) any Indebtedness of the Company to a wholly-owned Subsidiary of the Company, (d) interest accruing after the filing of a petition initiating certain bankruptcy or insolvency proceedings unless such interest is an allowed claim enforceable against the Company in a proceeding under federal or state bankruptcy laws, (e) obligations under performance guarantees, support agreements and other agreements in the nature thereof relating to the obligations of any Subsidiary of the Company, and (f) trade accounts payable. "Indebtedness" is defined in Section 101 of the Subordinated Debt Indenture as, with respect to any Person, (a) (i) the principal of and interest and premium, if any, on indebtedness for money borrowed of such Person evidenced by bonds, notes, debentures or similar obligations, including any guaranty by such Person of any indebtedness for money borrowed of any other Person, whether any such indebtedness or guaranty is outstanding on the date of the Subordinated Debt Indenture or is thereafter created, assumed or incurred, (ii) the principal of and premium and interest, if any, on indebtedness for money borrowed, incurred, assumed or guaranteed by such Person in connection with the acquisition by it or any of its subsidiaries of any other businesses properties or other assets and (iii) lease obligations which such Person capitalizes in accordance with Statement of Financial Accounting Standards No. 13 promulgated by the Financial Accounting Standards Board or such other generally accepted accounting principles as may be from time to time in effect, (b) any other indebtedness of such Person, including any indebtedness representing the balance deferred and unpaid of the purchase price of any property or interest therein, including any such balance that constitutes a trade account payable, and any guaranty, endorsement or other contingent obligation of such Person in respect of any indebtedness of another, which is outstanding on the date of the Subordinated Debt Indenture or is thereafter created, assumed or incurred by such Person and (c) any amendments, modifications, refundings, renewals or extensions of any indebtedness or obligation described as Indebtedness in clause (a) or (b) above.

If (i) without the consent of the Company a court having jurisdiction shall enter (A) an order for relief with respect to the Company under the United States federal bankruptcy laws, (B) a judgment, order or decree adjudging the Company a bankrupt or insolvent, or (C) an order for relief for reorganization, arrangement, adjustment or composition of or in respect of the Company under the United States federal bankruptcy laws or state insolvency laws or (ii) the Company shall institute proceedings for the entry of an order for relief with respect to the Company under the United States federal bankruptcy laws or for an adjudication of insolvency, or shall consent to the institution of bankruptcy or insolvency proceedings against it, or shall file a petition seeking, or seek or consent to reorganization, arrangement, composition or similar relief under the United States federal bankruptcy laws or any applicable state law, or shall consent to the filing of such petition or to the appointment of a receiver, custodian, liquidator, assignee, trustee, sequestrator or similar official in respect of the Company or of substantially all of its property, or the Company shall make a general assignment for the benefit of creditors as recognized under the United States federal bankruptcy laws, then all Senior Indebtedness (including any interest thereon accruing after the commencement of any such proceedings) will first be paid in full before any payment or distribution, whether in cash, securities or other property, may be made to any Holder of Subordinated Debt Securities on account thereof. In such event, any payment or distribution, whether in cash, securities or other property (other than securities of the Company or any other corporation provided for by a plan of reorganization or readjustment the payment of which is subordinate, at least to the extent provided in the subordination provisions with respect to the Subordinated Debt Securities, to the payment of all Senior Indebtedness then outstanding and to any securities issued in respect thereof under any such plan of reorganization or readjustment), which would otherwise (but for the subordination provisions) be payable or deliverable in respect of Subordinated Debt Securities of any series will be paid or delivered directly to

the holders of Senior Indebtedness in accordance with the priorities then existing among such holders until all Senior Indebtedness (including any interest thereon accruing after the commencement of any such proceedings) has been paid in full. If any payment or distribution of any character, whether in cash, securities or other property (other than securities of the Company or any other corporation provided for by a plan of reorganization or readjustment the payment of which is subordinate, at least to the extent provided in the subordination provisions with respect to the Subordinated Debt Securities, to the payment of all Senior Indebtedness then outstanding and to any securities issued in respect thereof under any such plan of reorganization or readjustment), shall be received by the Trustee or any holder of any Subordinated Debt Securities in contravention of any of the terms of the Subordinated Debt Indenture, such payment or distribution will be received in trust for the benefit of, and will be paid over or delivered and transferred to, the holders of the Senior Indebtedness then outstanding in accordance with the priorities then existing among such holders for application to the payment of all Senior Indebtedness remaining unpaid, to the extent necessary to pay all such Senior Indebtedness in full. In the event of the failure of the Trustee or any holder to endorse or assign any such payment, distribution or security, each Holder of Senior Indebtedness is irrevocably authorized to endorse or assign the same. In the event of any such proceeding, after payment in full of all sums owing with respect to Senior Indebtedness, the holders of Subordinated Debt Securities, together with the holders of any other obligations of the Company ranking on a parity with the Subordinated Debt Securities, will be entitled to be repaid from the remaining assets of the Company the amounts at that time due and owing on account of unpaid principal of and any premium and interest on the Subordinated Debt Securities and such other obligations before any payment or other distribution, whether in cash, property or otherwise, shall be made on account of any capital stock or obligations of the Company ranking junior to the Subordinated Debt Securities and such other obligations. (Section 1601 of the Subordinated Debt Indenture)

The Subordinated Debt Indenture provides that Senior Indebtedness shall not be deemed to have been paid in full unless the holders thereof shall have received cash, securities or other property equal to the amount of such Senior Indebtedness then outstanding. Upon the payment in full of all Senior Indebtedness, the holders of Subordinated Debt Securities of each series shall be subrogated to all rights of any holders of Senior Indebtedness to receive any further payments or distributions applicable to such Senior Indebtedness until the indebtedness evidenced by the Subordinated Debt Securities of such series shall have been paid in full, and such payments or distributions received by such Holders, by reason of such subrogation, of cash, securities or other property that otherwise would be paid or distributed to the holders of Senior Indebtedness, shall, as between the Company and its creditors other than the holders of such Senior Indebtedness, on the one hand, and such Holders, on the other hand, be deemed to be a payment by the Company on account of such Senior Indebtedness, and not on account of the Subordinated Debt Securities of such series. (Section 1601 of the Subordinated Debt Indenture)

The Prospectus Supplement respecting any series of Subordinated Debt Securities's will set forth any subordination provisions applicable to such series in addition to or different from those described above.

By reason of such subordination, in the event of a liquidation, bankruptcy, reorganization, insolvency, receivership or similar proceeding involving the Company or an assignment for the benefit of creditors of the Company or any of its Subsidiaries or a marshaling of assets or liabilities of the Company and its Subsidiaries, holders of Senior Indebtedness and holders of other obligations of the Company that are not subordinated to Senior Indebtedness may receive more, ratably, than holders of the Subordinated Debt Securities. Such subordination will not prevent the occurrence of any Default or Event of Default or limit the rights of the Trustee or any Holder, subject to the other provisions of the Subordinated Debt indenture, to pursue any other rights or remedies with respect to the Subordinated Debt Securities.

CONVERSION. The Subordinated Debt Indenture may provide for a right of conversion of Subordinated Debt Securities into Common Stock (or cash in lieu thereof). (Sections 301 and 1501 of the Subordinated Debt Indenture) The following provisions will apply to Debt Securities that are convertible

Subordinated Debt Securities unless otherwise provided in the applicable Prospectus Supplement for such Debt Securities.

The holder of any convertible Subordinated Debt Securities will have the right exercisable at any time prior to maturity, unless previously redeemed or otherwise purchased by the Company, to convert such Subordinated Debt Securities into shares of Common Stock at the conversion price or conversion rate set forth in the applicable Prospectus Supplement, subject to adjustment. (Section 1502 of the Subordinated Debt Indenture) The holder of convertible Subordinated Debt Securities may convert any portion thereof which is \$1,000 in principal amount or any integral multiple thereof. (Section 1502 of the Subordinated Debt Indenture)

In certain events, the conversion price or conversion rate will be subject to adjustment as set forth in the Subordinated Debt Indenture. Such events include the issuance of shares of Common Stock of the Company as a dividend or distribution on the Common Stock; subdivisions, combinations and reclassifications of the Common Stock; the issuance to all holders of Common Stock of rights or warrants entitling the holders thereof (for a period not exceeding 45 days) to subscribe for or purchase shares of Common Stock at a price per share less than the then current market price per share of Common Stock (as determined pursuant to the Subordinated Debt Indenture); and the distribution to substantially all holders of Common Stock of evidences of indebtedness, equity securities (including equity interests in the Company's Subsidiaries) other than Common Stock, or other assets (excluding cash dividends paid from surplus) or rights or warrants to subscribe for securities (other than those referred to above). No adjustment of the conversion price or conversion rate will be required unless an adjustment would require a cumulative increase or decrease of at least 1% in such price or rate. (Section 1504 of the Subordinated Debt Indenture) The Company has been advised by its counsel, Liddell, Sapp, Zivley, Hill & LaBoon, L.L.P., that certain adjustments in the conversion price or conversion rate in accordance with the foregoing provisions may result in constructive distributions to either holders of the Subordinated Debt Securities or holders of Common Stock which would be taxable pursuant to Treasury Regulations issued under Section 305 of the Internal Revenue Code of 1986, as amended. The amount of any such taxable constructive distribution would be the fair market value of the Common Stock which is treated as having been constructively received, such value being determined as of the time the adjustment resulting in the constructive distribution is made.

Fractional shares of Common Stock will not be issued upon conversion, but, in lieu thereof, the Company will pay a cash adjustment based on the then current market price for the Common Stock. (Section 1503 of the Subordinated Debt Indenture) Upon conversion, no adjustments will be made for accrued interest or dividends, and therefore convertible Subordinated Debt Securities surrendered for conversion' between an Interest Payment Date and on or prior to the record date pertaining to the subsequent Interest Payment Date will not be considered Outstanding and no interest will be paid on the related Interest Payment Date. Convertible Subordinated Debt Securities (except convertible Subordinated Debt Securities called for redemption on a redemption date during such period) surrendered for conversion during the period between the close of business on any record date for an Interest Payment Date for such convertible Subordinated Debt Security and the opening of business on the related Interest Payment Date shall be considered Outstanding for purposes of payment of interest, and, therefore, must be accompanied by payment of an amount equal to the interest payable thereon on such Interest Payment Date. (Sections 1504 and 1502 of the Subordinated Debt Indenture)

In the case of any consolidation or merger of the Company (with certain exceptions) or any conveyance, transfer or lease of the properties and assets of the Company substantially as an entirety to any Person, each holder of convertible Subordinated Debt Securities, after the consolidation, merger, conveyance, transfer or lease, will have the right to convert such convertible Subordinated Debt Securities only into the kind and amount of securities, cash and other property which the holder would have been entitled to receive upon or in connection with such consolidation, merger, conveyance, transfer or lease, if the holder had held the Common Stock issuable upon conversion of such convertible Subordinated Debt

Securities immediately prior to such consolidation, merger, conveyance, transfer or lease. (Section 1505 of the Subordinated Debt Indenture)

DESCRIPTION OF CAPITAL STOCK

GENERAL

The Company is currently authorized to issue 500,000,000 shares of its Common Stock, par value \$.01 per share, of which 219,811,065 shares were outstanding on March 31, 1998 and 10,000,000 shares of Preferred Stock, par value \$.01 per share (the "Preferred Stock"), none of which were outstanding on such date.

COMMON STOCK

Each holder of Common Stock is entitled to one vote per share held of record on each matter submitted to stockholders. Cumulative voting for the election of directors is not permitted, and the holders of a majority of shares voting for the election of directors can elect all members of the Board of Directors.

Subject to the rights of any holders of Preferred Stock, holders of record of shares of Common Stock are entitled to receive ratably dividends when and if declared by the Board of Directors out of funds legally available therefor. In the event of a voluntary or involuntary winding up or dissolution, liquidation or partial liquidation of the Company, holders of Common Stock are entitled to participate ratably in any distribution of the assets of the Company, subject to any prior rights of holders of any outstanding Preferred Stock.

Holders of Common Stock have no conversion, redemption or preemptive rights. All outstanding shares of Common Stock are, and the Common Stock to be issued hereunder will be, validly issued, fully paid and nonassessable.

PREFERRED STOCK

The Board of Directors is authorized, without further approval of the stockholders, to issue the Preferred Stock in series and with respect to each series, to fix its designations, relative rights (including voting, dividend, conversion, sinking fund and redemption rights), preferences (including with respect to dividends and upon liquidation), privileges and limitations. The Board of Directors, without stockholder approval, may issue Preferred Stock with voting and conversion rights, both of which could adversely affect the voting power of the holders of Common Stock, and dividend or liquidation preferences that would restrict Common Stock dividends or adversely affect the assets available for distribution to holders of shares of Common Stock upon the Company's dissolution.

AUTHORIZED BUT UNISSUED SHARES

Authorized but unissued shares of Common Stock or Preferred Stock can be reserved for issuance by the Board of Directors from time to time without further stockholder action for proper corporate purposes, including stock dividends or stock splits, raising equity capital and structuring future corporate transactions, including acquisitions.

TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar for the Common Stock is Boston EquiServe, Boston, Massachusetts.

DELAWARE ANTI-TAKEOVER LAW

Section 203 of the DGCL ("Section 203") generally provides that a person who, together with affiliates and associates owns, or within three years did own, at least 15% but less than 85% of the

outstanding voting stock of a corporation subject to the statute (an "Interested Stockholder") may not engage in certain business combinations with the corporation for a period of three years after the date on which the person became an Interested Stockholder unless (i) prior to such date, the corporation's board of directors approved either the business combination or the transaction in which the stockholder became an Interested Stockholder or (ii) subsequent to such date, the business combination is approved by the corporation's board of directors and authorized at a stockholders' meeting by a vote of at least two-thirds of the corporation's outstanding voting stock not owned by the Interested Stockholder. Section 203 defines the term "business combination" to encompass a wide variety of transactions with or caused by an Interested Stockholder, including mergers, asset sales, and other transactions in which the Interested Stockholder receives or could receive a benefit on other than a pro rata basis with other stockholders.

The provisions of Section 203, combined with the Board of Directors' authority to issue Preferred Stock without further stockholder action, could delay or frustrate a change in control of the Company. The provisions also could discourage, impede or prevent a merger, tender offer or proxy contest, even if such event would be favorable to the interests of stockholders. The Company's stockholders, by adopting an amendment to the Restated Certificate of Incorporation, may elect not to be governed by Section 203 which election would be effective 12 months after such adoption. Neither the Company's Restated Certificate of Incorporation nor its Bylaws exclude the Company from the restrictions imposed by Section 203.

PLAN OF DISTRIBUTION

GENERAL

The Company may sell Securities to or through underwriters or dealers, and also may sell Securities directly to other purchasers or through agents.

The distribution of the Securities may be effected from time to time in one or more transactions at a fixed price or prices, which may be changed, or at market prices prevailing at the time of sale, at prices related to such prevailing market prices or at negotiated prices.

In connection with the sale of Securities, underwriters may receive compensation from the Company, or purchasers of Securities for whom they may act as agents in the form of discounts, concessions or commissions. Underwriters, dealers and agents that participate in the distribution of Securities may be deemed to be underwriters, and any discounts or commissions received by them from the Company or the purchasers of Securities, as the case may be, and any profit on the resale of Securities by them may be deemed to be underwriting discounts and commissions under the Securities Act. Any such person who may be deemed to be an underwriter will be identified, and any such compensation received from the Company will be described, in the applicable Prospectus Supplement.

Debt Securities, when first issued, will have no established trading market. Any underwriters or agents to or through whom Debt Securities are sold by the Company for public offering and sale may make a market in such Debt Securities, but such underwriters or agents will not be obligated to do so and may discontinue any market making at any time without notice. No assurance can be given as to the liquidity of the trading market for any Debt Securities.

Under agreements which may be entered into by the Company, underwriters, dealers and agents who participate in the distribution of Securities may be entitled to indemnification by the Company against or contribution toward certain liabilities, including liabilities under the Securities Act.

DELAYED DELIVERY ARRANGEMENT

If so indicated in the applicable Prospectus Supplement, the Company will authorize underwriters or other persons acting as the Company's agents to solicit offers by certain institutions to purchase Debt Securities from the Company pursuant to contracts providing for payment and delivery on a future date.

Institutions with which such contracts may be made include commercial and savings banks, insurance companies, pension funds, investment companies, educational and charitable institutions and others, but in all cases will be subject to the approval of the Company. The obligations of any purchaser under any such contract will be subject to the condition that the purchase of the Debt Securities shall not at the time of delivery be prohibited under the laws of any jurisdiction to which such purchaser is subject. The underwriters and such agents will not have any responsibility in respect of the validity or performance of such contracts.

VALIDITY OF SECURITIES

The validity of the Offered Securities, as well as certain tax matters in connection therewith, will be passed upon for the Company by Liddell, Sapp, Zivley, Hill & LaBoon, L.L.P., Houston, Texas and certain legal matters will be passed upon for any agents, dealers or underwriters by McDermott, Will & Emery, Chicago, Illinois.

EXPERTS

The consolidated balance sheets of USA Waste as of December 31, 1997 and 1996 and the consolidated statements of operations, stockholders' equity and cash flows for each of the three years in the period ended December 31, 1997, incorporated by reference in this Prospectus, have been incorporated herein in reliance on the report of Coopers & Lybrand L.L.P., independent accountants, given on the authority of that firm as experts in accounting and auditing.

PART II
INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 14. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION.

The following table sets forth all expenses payable by the Company in connection with the issuance and distribution of the securities, other than underwriting discounts and commissions. All the amounts shown are estimates, except the registration fee.

Registration Fee.....	\$ 472,000
Fees and expenses of accountants.....	150,000
Fees and expenses of legal counsel.....	75,000
Fees and expenses of trustee and counsel.....	40,000
Fees of rating agencies.....	70,000
Printing and engraving expenses.....	150,000
Blue Sky fee and expenses (including counsel).....	15,000
Miscellaneous.....	28,000

Total.....	\$1,000,000

ITEM 15. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

Under Delaware law, a corporation may include provisions in its certificate of incorporation that will relieve its directors of monetary liability for breaches of their fiduciary duty to the corporation, except under certain circumstances, including a breach of the director's duty of loyalty, acts or omissions of the director not in good faith or which involve intentional misconduct or a knowing violation of law, the approval of an improper payment of a dividend or an improper purchase by the corporation of stock or any transaction from which the director derived an improper personal benefit. The Company's Restated Certificate of Incorporation provides that the Company's directors are not liable to the Company or its stockholders for monetary damages for breach of their fiduciary duty, subject to the described exceptions specified by Delaware law.

Section 145 of the Delaware General Corporation Law grants to the Company the power to indemnify each officer and director of the Company against liabilities and expenses incurred by reason of the fact that he is or was an officer or director of the Company if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Company and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The By-laws of the Company provide for indemnification of each officer and director of the Company to the fullest extent permitted by Delaware law.

Section 145 of the Delaware General Corporation Law also empowers the Company to purchase and maintain insurance on behalf of any person who is or was an officer or director of the Company against liability asserted against or incurred by him in any such capacity, whether or not the Company would have the power to indemnify such officer or director against such liability under the provisions of Section 145. The Company has purchased and maintains a directors' and officers' liability policy for such purposes.

The Company has entered into Indemnification Agreements with each of its directors and executive officers. Such Indemnification Agreements provide that such persons (the "Indemnitees") will be indemnified and held harmless from all expenses, including (without limitation) the amount of any judgments, fines, penalties, excise taxes and amounts paid in settlement, actually incurred by an Indemnitee with respect to any threatened, pending or completed claim, action (including any action by or in the right of the Company), suit or proceeding (whether formal or informal, or civil, criminal, administrative, legislative, arbitral or investigative) in respect of which such Indemnitee is, was or at any time becomes, or is threatened to be made, a party, witness, subject or target, by reason of the fact that such Indemnitee is or

was a director, officer, agent or fiduciary of the Company or serving at the request of the Company as a director, officer, employee, fiduciary or representative or another enterprise. Such Indemnification Agreements also provide that the Company, if requested to do so by an Indemnitee, will advance to such Indemnitee, prior to final disposition of any proceeding, the expense actually incurred by the Indemnitee subject to the obligation of the Indemnitee to refund if it is ultimately determined that such Indemnitee was not entitled to indemnification.

ITEM 16. EXHIBITS.

The following documents are filed as exhibits to this Registration Statement, including those exhibits incorporated herein by reference to a prior filing of the Company under the Securities Act or the Exchange Act as indicated in parentheses:

EXHIBIT NUMBER	EXHIBIT
1.1*	Form of Underwriting Agreement (Debt Securities).
1.2*	Form of Underwriting Agreement (Common Stock).
4.1	Indenture for Senior Debt Securities dated September 10, 1997, among the Registrant and Texas Commerce Bank National Association, now known as Chase Bank of Texas, National Association, as trustee (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K (File No. 1-12154) filed with the Commission on September 24, 1997).
4.2	Subordinated Indenture, dated as of February 1, 1997, between USA Waste Services, Inc. and Texas Commerce Bank National Association, now known as Chase Bank of Texas, National Association, as trustee (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K (File No. 1-12154) filed with the Commission on February 7, 1997).
4.3*	Form of Debt Securities.
4.4	Restated Certificate of Incorporation, as amended (incorporated by reference to Exhibit 3(b) of the Registrant's Quarterly Report on Form 10-Q for the period ended September 30, 1997).
4.5	Bylaws (incorporated by reference to Exhibit 3.2 to Post-Effective Amendment No. 1 to the Company's Registration Statement on Form S-4 (File No. 33-60103)).
4.6	Specimen Common Stock Certificate (incorporated by reference to Exhibit 4.3 to the Company's Registration Statement on Form S-3 (File No. 33-76224)).
5.1**	Opinion of Liddell, Sapp, Zivley, Hill & LaBoon, L.L.P. as to the legality of the Securities being registered.
12.1**	Computation of ratios of earnings to fixed charges.
23.1**	Consent of Liddell, Sapp, Zivley, Hill & LaBoon, L.L.P. (included in Exhibit 5.1).
23.2**	Consent of Coopers & Lybrand L.L.P.
24.1**	Powers of Attorney.
25.1***	Statement of Eligibility of Trustee with respect to Senior Debt Indenture.
25.2***	Statement of Eligibility of Trustee with respect to Subordinated Debt Indenture.

* The Company will file any underwriting agreement relating to Debt Securities or Common Stock that it may enter into and any form of Debt Securities not previously so filed, as an exhibit to a Current Report on Form 8-K.

** Previously filed.

*** Filed herewith.

ITEM 17. UNDERTAKINGS.

(a) The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

- (i) To include any prospectus required by Section 10(a)(3) of the Securities Act;
- (ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement; notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement;
- (iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

provided, however, that paragraphs (a)(1)(i) and (a)(1)(ii) do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in periodic report filed with or furnished to the Commission by the registrant pursuant to Section 13 or Section 15(d) of the Exchange Act that are incorporated by reference in the registration statement.

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

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(b) The undersigned registrant hereby undertakes that:

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

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

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

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

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

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and had duly caused this Amendment No. 1 to Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas on the 12th day of May, 1998.

USA WASTE SERVICES, INC.

By: /s/ JOHN E. DRURY

John E. Drury
CHAIRMAN OF THE BOARD AND
CHIEF EXECUTIVE OFFICER

Pursuant to the requirements of the Securities Act of 1933, this Amendment No. 1 to Registration Statement has been signed by the following persons in the capacities indicated on May 12, 1998.

SIGNATURE	TITLE
----- /s/ JOHN E. DRURY ----- John E. Drury	Chairman of the Board and Chief Executive Officer (Principal executive officer)
* ----- Rodney R. Proto	President, Chief Operating Officer and Director
/s/ EARL E. DEFRATES ----- Earl E. DeFrates	Executive Vice President and Chief Financial Officer (Principal financial officer)
/s/ BRUCE E. SNYDER ----- Bruce E. Snyder	Vice President and Chief Accounting Officer (Principal accounting officer)
* ----- Ralph F. Cox	Director

SIGNATURE

TITLE

*

Richard J. Heckmann

Director

*

Richard D. Kinder

Director

*

Larry J. Martin

Director

*

William E. Moffett

Director

*

Alexander W. Rangos

Director

*

John G. Rangos, Sr.

Director

*

Kosti Shirvanian

Director

*

David Sutherland-Yoest

Director

*

Jerome B. York

Director

*By: /s/ GREGORY T. SANGALIS

Gregory T. Sangalis
ATTORNEY-IN-FACT

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SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM T-1

STATEMENT OF ELIGIBILITY UNDER THE
TRUST INDENTURE ACT OF 1939
OF A CORPORATION DESIGNATED TO ACT AS TRUSTEE

CHECK IF AN APPLICATION TO DETERMINE ELIGIBILITY
OF A TRUSTEE PURSUANT TO SECTION 305(b)(2) _____

CHASE BANK OF TEXAS, NATIONAL ASSOCIATION
(Exact name of trustee as specified in its charter)

74-0800980
(I.R.S. Employer Identification Number)

712 MAIN STREET, HOUSTON, TEXAS 77002
(Address of principal executive offices) (Zip code)

LEE BOOCKER, 712 MAIN STREET, 26TH FLOOR
HOUSTON, TEXAS 77002 (713) 216-2448
(Name, address and telephone number of agent for service)

USA WASTE SERVICES, INC.
(Exact name of obligor as specified in its charter)

DELAWARE 73-1309529
(State or other jurisdiction of (I.R.S. Employer
incorporation or organization) Identification Number)

1001 FANNIN STREET, SUITE 4000, HOUSTON, TEXAS 77002
(Address of principal executive offices) (Zip code)

SENIOR DEBT SECURITIES
(Title of indenture securities)

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ITEM 1. GENERAL INFORMATION.

FURNISH THE FOLLOWING INFORMATION AS TO THE TRUSTEE:

- (a) NAME AND ADDRESS OF EACH EXAMINING OR SUPERVISING AUTHORITY TO WHICH IT IS SUBJECT.

Comptroller of the Currency, Washington, D.C.
Federal Deposit Insurance Corporation, Washington, D.C.
Board of Governors of the Federal Reserve System, Washington, D.C.

- (b) WHETHER IT IS AUTHORIZED TO EXERCISE CORPORATE TRUST POWERS.

The trustee is authorized to exercise corporate trust powers.

ITEM 2. AFFILIATIONS WITH THE OBLIGOR.

IF THE OBLIGOR IS AN AFFILIATE OF THE TRUSTEE, DESCRIBE EACH SUCH AFFILIATION.

The obligor is not an affiliate of the trustee. (See Note on Page 7.)

ITEM 3. VOTING SECURITIES OF THE TRUSTEE.

FURNISH THE FOLLOWING INFORMATION AS TO EACH CLASS OF VOTING SECURITIES OF THE TRUSTEE.

COL. A TITLE OF CLASS -----	COL. B AMOUNT OUTSTANDING -----
-----------------------------------	---------------------------------------

Not applicable by virtue of Form T-1 General Instruction B and response to Item 13.

ITEM 4. TRUSTEESHIPS UNDER OTHER INDENTURES.

IF THE TRUSTEE IS A TRUSTEE UNDER ANOTHER INDENTURE UNDER WHICH ANY OTHER SECURITIES, OR CERTIFICATES OF INTEREST OR PARTICIPATION IN ANY OTHER SECURITIES, OF THE OBLIGOR ARE OUTSTANDING, FURNISH THE FOLLOWING INFORMATION:

- (a) TITLE OF THE SECURITIES OUTSTANDING UNDER EACH SUCH OTHER INDENTURE.

Not applicable by virtue of Form T-1 General Instruction B and response to Item 13.

ITEM 4. (CONTINUED)

(b) A BRIEF STATEMENT OF THE FACTS RELIED UPON AS A BASIS FOR THE CLAIM THAT NO CONFLICTING INTEREST WITHIN THE MEANING OF SECTION 310(b)(1) OF THE ACT ARISES AS A RESULT OF THE TRUSTEESHIP UNDER ANY SUCH OTHER INDENTURE, INCLUDING A STATEMENT AS TO HOW THE INDENTURE SECURITIES WILL RANK AS COMPARED WITH THE SECURITIES ISSUED UNDER SUCH OTHER INDENTURE.

Not applicable by virtue of Form T-1 General Instruction B and response to Item 13.

ITEM 5. INTERLOCKING DIRECTORATES AND SIMILAR RELATIONSHIPS WITH OBLIGOR OR UNDERWRITERS.

IF THE TRUSTEE OR ANY OF THE DIRECTORS OR EXECUTIVE OFFICER OF THE TRUSTEE IS A DIRECTOR, OFFICER, PARTNER, EMPLOYEE, APPOINTEE, OR REPRESENTATIVE OF THE OBLIGOR OR OF ANY UNDERWRITER FOR THE OBLIGOR, IDENTIFY EACH SUCH PERSON HAVING ANY SUCH CONNECTION AND STATE THE NATURE OF EACH SUCH CONNECTION.

Not applicable by virtue of Form T-1 General Instruction B and response to Item 13.

ITEM 6. VOTING SECURITIES OF THE TRUSTEE OWNED BY THE OBLIGOR OR ITS OFFICIALS.

FURNISH THE FOLLOWING INFORMATION AS TO THE VOTING SECURITIES OF THE TRUSTEE OWNED BENEFICIALLY BY THE OBLIGOR AND EACH DIRECTOR, PARTNER AND EXECUTIVE OFFICER OF THE OBLIGOR.

COL. A	COL. B	COL. C	COL. D
			PERCENTAGE OF VOTING SECURITIES REPRESENTED BY AMOUNT GIVEN IN COL. C
NAME OF OWNER	TITLE OF CLASS	AMOUNT OWNED BENEFICIALLY	

Not applicable by virtue of Form T-1 General Instruction B and response to Item 13.

ITEM 7. VOTING SECURITIES OF THE TRUSTEE OWNED BY UNDERWRITERS OR THEIR OFFICIALS.

FURNISH THE FOLLOWING INFORMATION AS TO THE VOTING SECURITIES OF THE TRUSTEE OWNED BENEFICIALLY BY EACH UNDERWRITER FOR THE OBLIGOR AND EACH DIRECTOR, PARTNER AND EXECUTIVE OFFICER OF EACH SUCH UNDERWRITER.

COL. A	COL. B	COL. C	COL. D
NAME OF OWNER	TITLE OF CLASS	AMOUNT OWNED BENEFICIALLY	PERCENTAGE OF VOTING SECURITIES REPRESENTED BY AMOUNT GIVEN IN COL. C

Not applicable by virtue of Form T-1 General Instruction B and response to Item 13.

ITEM 8. SECURITIES OF THE OBLIGOR OWNED OR HELD BY THE TRUSTEE.

FURNISH THE FOLLOWING INFORMATION AS TO THE SECURITIES OF THE OBLIGOR OWNED BENEFICIALLY OR HELD AS COLLATERAL SECURITY FOR OBLIGATIONS IN DEFAULT BY THE TRUSTEE.

COL. A	COL. B	COL. C	COL. D
TITLE OF CLASS	WHETHER THE SECURITIES ARE VOTING OR NONVOTING SECURITIES	AMOUNT OWNED BENEFICIALLY OR HELD AS COLLATERAL SECURITY FOR OBLIGATIONS IN DEFAULT	PERCENT OF CLASS REPRESENTED BY AMOUNT GIVEN IN COL. C

Not applicable by virtue of Form T-1 General Instruction B and response to Item 13.

ITEM 9. SECURITIES OF UNDERWRITERS OWNED OR HELD BY THE TRUSTEE.

IF THE TRUSTEE OWNS BENEFICIALLY OR HOLDS AS COLLATERAL SECURITY FOR OBLIGATIONS IN DEFAULT ANY SECURITIES OF AN UNDERWRITER FOR THE OBLIGOR, FURNISH THE FOLLOWING INFORMATION AS TO EACH CLASS OF SECURITIES OF SUCH UNDERWRITER ANY OF WHICH ARE SO OWNED OR HELD BY THE TRUSTEE.

COL. A	COL. B	COL. C	COL. D
NAME OF ISSUER AND TITLE OF CLASS -----	AMOUNT OUTSTANDING -----	AMOUNT OWNED BENEFICIALLY OR HELD AS COLLATERAL SECURITY FOR OBLIGATIONS IN DEFAULT BY TRUSTEE -----	PERCENT OF CLASS REPRESENTED BY AMOUNT GIVEN IN COL. C -----

Not applicable by virtue of Form T-1 General Instruction B and response to Item 13.

ITEM 10. OWNERSHIP OR HOLDINGS BY THE TRUSTEE OF VOTING SECURITIES OF CERTAIN AFFILIATES OR SECURITY HOLDERS OF THE OBLIGOR.

IF THE TRUSTEE OWNS BENEFICIALLY OR HOLDS AS COLLATERAL SECURITY FOR OBLIGATIONS IN DEFAULT VOTING SECURITIES OF A PERSON WHO, TO THE KNOWLEDGE OF THE TRUSTEE (1) OWNS 10% OR MORE OF THE VOTING SECURITIES OF THE OBLIGOR OR (2) IS AN AFFILIATE, OTHER THAN A SUBSIDIARY, OF THE OBLIGOR, FURNISH THE FOLLOWING INFORMATION AS TO THE VOTING SECURITIES OF SUCH PERSON.

COL. A	COL. B	COL. C	COL. D
NAME OF ISSUER AND TITLE OF CLASS -----	AMOUNT OUTSTANDING -----	AMOUNT OWNED BENEFICIALLY OR HELD AS COLLATERAL SECURITY FOR OBLIGATIONS IN DEFAULT BY TRUSTEE -----	PERCENT OF CLASS REPRESENTED BY AMOUNT GIVEN IN COL. C -----

Not applicable by virtue of Form T-1 General Instruction B and response to Item 13.

ITEM 11. OWNERSHIP OR HOLDINGS BY THE TRUSTEE OF ANY SECURITIES OF A PERSON OWNING 50% OR MORE OF THE VOTING SECURITIES OF THE OBLIGOR.

IF THE TRUSTEE OWNS BENEFICIALLY OR HOLDS AS COLLATERAL SECURITY FOR OBLIGATIONS IN DEFAULT ANY SECURITIES OF A PERSON WHO, TO THE KNOWLEDGE OF THE TRUSTEE, OWNS 50% OR MORE OF THE VOTING SECURITIES OF THE OBLIGOR, FURNISH THE FOLLOWING INFORMATION AS TO EACH CLASS OF SECURITIES OR SUCH PERSON ANY OF WHICH ARE SO OWNED OR HELD BY THE TRUSTEE.

COL. A	COL. B	COL. C	COL. D
NAME OF ISSUER AND TITLE OF CLASS	AMOUNT OUTSTANDING	AMOUNT OWNED BENEFICIALLY OR HELD AS COLLATERAL SECURITY FOR OBLIGATIONS IN DEFAULT BY TRUSTEE	PERCENT OF CLASS REPRESENTED BY AMOUNT GIVEN IN COL. C

Not applicable by virtue of Form T-1 General Instruction B and response to Item 13.

ITEM 12. INDEBTEDNESS OF THE OBLIGOR TO THE TRUSTEE.

EXCEPT AS NOTED IN THE INSTRUCTIONS, IF THE OBLIGOR IS INDEBTED TO THE TRUSTEE, FURNISH THE FOLLOWING INFORMATION:

COL. A	COL. B	COL. C
NATURE OF INDEBTEDNESS	AMOUNT OUTSTANDING	DATE DUE

Not applicable by virtue of Form T-1 General Instruction B and response to Item 13.

ITEM 13. DEFAULTS BY THE OBLIGOR.

(a) STATE WHETHER THERE IS OR HAS BEEN A DEFAULT WITH RESPECT TO THE SECURITIES UNDER THIS INDENTURE. EXPLAIN THE NATURE OF ANY SUCH DEFAULT.

There is not, nor has there been, a default with respect to the securities under this indenture. (See Note on Page 7.)

ITEM 13. (CONTINUED)

(b) IF THE TRUSTEE IS A TRUSTEE UNDER ANOTHER INDENTURE UNDER WHICH ANY SECURITIES, OR CERTIFICATES OF INTEREST OR PARTICIPATION IN ANY OTHER SECURITIES, OF THE OBLIGOR ARE OUTSTANDING, OR IS TRUSTEE FOR MORE THAN ONE OUTSTANDING SERIES OF SECURITIES UNDER THE INDENTURE, STATE WHETHER THERE HAS BEEN A DEFAULT UNDER ANY SUCH INDENTURE OR SERIES, IDENTIFY THE INDENTURE OR SERIES AFFECTED, AND EXPLAIN THE NATURE OF ANY SUCH DEFAULT.

There has not been a default under any such indenture or series. (See Note on Page 7.)

ITEM 14. AFFILIATIONS WITH THE UNDERWRITERS.

IF ANY UNDERWRITER IS AN AFFILIATE OF THE TRUSTEE, DESCRIBE EACH SUCH AFFILIATION.

Not applicable by virtue of Form T-1 General Instruction B and response to Item 13.

ITEM 15. FOREIGN TRUSTEE.

IDENTIFY THE ORDER OR RULE PURSUANT TO WHICH THE FOREIGN TRUSTEE IS AUTHORIZED TO ACT AS SOLE TRUSTEE UNDER INDENTURES QUALIFIED OR TO BE QUALIFIED UNDER THE ACT.

Not applicable.

ITEM 16. LIST OF EXHIBITS.

LIST BELOW ALL EXHIBITS FILED AS PART OF THIS STATEMENT OF ELIGIBILITY.

- 1. A copy of the articles of association of the trustee now in effect.

2. A copy of the certificate of authority of the trustee to commence business.

* 3. A copy of the certificate of authorization of the trustee to exercise corporate trust powers issued by the Board of Governors of the Federal Reserve System under date of January 21, 1948.

+ 4. A copy of the existing bylaws of the trustee.

5. Not applicable.

6. The consent of the United States institutional trustees required by Section 321(b) of the Act.

7. A copy of the latest report of condition of the trustee published pursuant to law or the requirements of its supervising or examining authority.

8. Not applicable.

9. Not applicable.

NOTE REGARDING INCORPORATED EXHIBITS

Effective January 20, 1998, the name of the Trustee was changed from Texas Commerce Bank National Association to Chase Bank of Texas, National Association. The exhibits incorporated herein by reference were filed under the former name of the Trustee.

—
- Incorporated by reference to exhibit bearing the same designation and previously filed with the Securities and Exchange Commission as exhibits to the Form S-3 File No. 33-56195.

Incorporated by reference to exhibit bearing the same designation and previously filed with the Securities and Exchange Commission as exhibits to the Form S-3 File No. 33-42814.

* Incorporated by reference to exhibit bearing the same designation and previously filed with the Securities and Exchange Commission as exhibits to the Form S-11 File No. 33-25132.

+ Incorporated by reference to exhibit bearing the same designation and previously filed with the Securities and Exchange Commission as exhibits to the Form S-3 File No. 33-65055.

NOTE

Inasmuch as this Form T-1 is filed prior to the ascertainment by the trustee of all facts on which to base responsive answers to Items 2 and 13, the answers to said Items are based on incomplete information. Such Items may, however, be considered as correct unless amended by an amendment to this Form T-1.

SIGNATURE

PURSUANT TO THE REQUIREMENTS OF THE TRUST INDENTURE ACT OF 1939 THE TRUSTEE, CHASE BANK OF TEXAS, NATIONAL ASSOCIATION, FORMERLY KNOWN AS TEXAS COMMERCE BANK NATIONAL ASSOCIATION, A NATIONAL BANKING ASSOCIATION ORGANIZED AND EXISTING UNDER THE LAWS OF THE UNITED STATES OF AMERICA, HAS DULY CAUSED THIS STATEMENT OF ELIGIBILITY TO BE SIGNED ON ITS BEHALF BY THE UNDERSIGNED, THEREUNTO AUTHORIZED, ALL IN THE CITY OF HOUSTON, AND STATE OF TEXAS, ON THE 12TH DAY OF MAY, 1998.

CHASE BANK OF TEXAS, NATIONAL
ASSOCIATION, AS TRUSTEE

By: /s/ Mauri J. Cowen

Mauri J. Cowen
Vice President and Trust Officer

Securities and Exchange Commission
Washington, D.C. 20549

Gentlemen:

The undersigned is trustee under an Indenture between USA Waste Services, Inc., a Delaware corporation (the "Company"), and Texas Commerce Bank National Association, now known as Chase Bank of Texas, National Association, as Trustee, entered into in connection with the issuance of the Company's Senior Debt Securities.

In accordance with Section 321(b) of the Trust Indenture Act of 1939, the undersigned hereby consents that reports of examinations of the undersigned, made by Federal or State authorities authorized to make such examinations, may be furnished by such authorities to the Securities and Exchange Commission upon its request therefor.

Very truly yours,

CHASE BANK OF TEXAS, NATIONAL
ASSOCIATION, as Trustee

By: /s/ Mauri J. Cowen

Mauri J. Cowen
Vice President and Trust Officer

FEDERAL FINANCIAL INSTITUTIONS EXAMINATION COUNCIL

/ 1 /

[LOGO] Please refer to page i,
Table of Contents, for
the required disclosure
of estimated burden.

CONSOLIDATED REPORTS OF CONDITION AND INCOME FOR A BANK WITH DOMESTIC AND
FOREIGN OFFICES - FFIEC 031

REPORT AT THE CLOSE OF BUSINESS MARCH 31, 1998 (980331)
(RCFI 9999)

This report is required by law: 12 U.S.C. Section 324 (State member banks);
12 U.S.C. Section 1817 (State nonmember banks); and 12 U.S.C. Section 161
(National banks).

This report form is to be filed by banks with branches and consolidated
subsidiaries in U.S. territories and possessions, Edge or Agreement
subsidiaries, foreign branches, consolidated foreign subsidiaries, or
International Banking Facilities.

NOTE: The Reports of Condition and Income must be signed by an authorized
officer and the Report of Condition must be attested to by not less than two
directors (trustees) for State nonmember banks and three directors for State
member and National banks.

I, _____
Name and Title of Officer Authorized to Sign Report

of the named bank do hereby declare that the Reports of Condition and Income
(including the supporting schedules) for this report date have been prepared
in conformance with the instructions issued by the appropriate Federal
regulatory authority and are true to the best of my knowledge and belief.

Signature of Officer Authorized to Sign Report

Date of Signature

The Reports of Condition and Income are to be prepared in accordance with
Federal regulatory authority instructions.

We, the undersigned directors (trustees), attest to the correctness of the
Report of Condition (including the supporting schedules) for this report date
and declare that it has been examined by us and to the best of our knowledge
and belief has been prepared in conformance with the instructions issued by
the appropriate Federal regulatory authority and is true and correct.

Director (Trustee)

Director (Trustee)

Director (Trustee)

Submission of Reports

Each bank must prepare its Reports of Condition and Income either:

- (a) in electronic form and then file the computer data file directly with the
banking agencies' collection agent, Electronic Data Systems Corporation
(EDS), by modem or on computer diskette; or
- (b) in hard-copy (paper) form and arrange for another party to convert the
paper report to electronic form. That party (if other than EDS) must
transmit the bank's computer data file to EDS.

To fulfill the signature and attestation requirement for the Reports of
Condition and Income for this report date, attach this signature page to the
hard-copy record of the completed report that the bank places in its files.

FDIC Certificate Number | | | | | |
(RCFI 9050)

CALL NO. 203 31 03-01-98

STRK: 46-3926-00873 STCERT: 48-23262

CHASE BANK OF TEXAS, NATIONAL ASSOC.
712 MAIN STREET
HOUSTON, TX 77001

Board of Governors of the Federal Reserve System, Federal Deposit Insurance
Corporation, Office of the Comptroller of the Currency

Legal Title of Bank: Chase Bank of Texas, N.A.
 Address: P.O. Box 2558
 City, State Zip: Houston, TX 77252-2558
 FDIC Certificate No.: |0|3|2|6|3|

Call Date: 3/31/98 ST-BK: 48-3926 FFIEC 031
 Page RC-1
 Printed 5/11/98 at 10:06

CONSOLIDATED REPORT OF CONDITION FOR INSURED COMMERCIAL
 AND STATE-CHARTERED SAVINGS BANKS FOR MARCH 31, 1998

All schedules are to be reported in thousands of dollars. Unless otherwise indicated, report the amount outstanding as of the last business day of the quarter.

SCHEDULE RC--BALANCE SHEET

	C400		< -
	Dollar Amounts in Thousands		
	RCFD	Bil Mil Thou	
ASSETS			
1. Cash and balances due from depository institutions (from Schedule RC-A):	//////////	//////////	
a. Noninterest-bearing balances and currency and coin(1)	0081	2,613,043	1. a.
b. Interest-bearing balances(2)	0071	100	1. b.
2. Securities:	//////////	//////////	
a. Held-to-maturity securities (from Schedule RC-B, column A)	1754	314,100	2. a.
b. Available-for-sale securities (from Schedule RC-B, column D)	1773	5,386,929	2. b.
3. Federal funds sold and securities purchased under agreements to resell	1350	1,437,483	3.
4. Loans and lease financing receivables:	//////////	//////////	
a. Loans and leases, net of unearned income (from Schedule RC-C)	RCFD 2122	12,992,627	4. a.
b. LESS: Allowance for loan and lease losses	RCFD 3123	206,129	4. b.
c. LESS: Allocated transfer risk reserve	RCFD 3128	0	4. c.
d. Loans and leases, net of unearned income, allowance, and reserve (item 4.a minus 4.b and 4.c)	2125	12,786,498	4. d.
5. Trading assets (from Schedule RC-D)	3545	69,491	5.
6. Premises and fixed assets (including capitalized leases)	2145	636,687	6.
7. Other real estate owned (from Schedule RC-M)	2150	43	7.
8. Investments in unconsolidated subsidiaries and associated companies (from Schedule RC-M)	2130	13,052	8.
9. Customers' liability to this bank on acceptances outstanding	2155	14,749	9.
10. Intangible assets (from Schedule RC-M)	2143	407,001	10.
11. Other assets (from Schedule RC-F)	2160	253,152	11.
12. Total assets (sum of items 1 through 11)	2170	23,932,328	12.

(1) Includes cash items in process of collection and unposted debits.
 (2) Includes time certificates of deposit not held for trading.

Legal Title of Bank: Chase Bank of Texas, N.A.
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Call Date: 3/31/98 ST-BK: 48-3926 FFIEC 031
 Page RC-2
 Printed 5/11/98 at 10:06

SCHEDULE RC--CONTINUED

	Dollar Amounts in Thousands		//////////	Bil Mil Thou	
LIABILITIES					
13. Deposits:			//////////		
a. In domestic offices (sum of totals of columns A and C from Schedule RC-E, part I)			//////////	17,872,036	13.a.
(1) Noninterest-bearing(1)	RCON 6631	8,472,829	//////////		13.a.(1)
(2) Interest-bearing	RCON 6636	9,399,207	//////////		13.a.(2)
b. In foreign offices, Edge and Agreement subsidiaries, and IBFs (from Schedule RC-E, part II)			//////////	726,452	13.b.
(1) Noninterest-bearing	RCFN 6631	0	//////////		13.b.(1)
(2) Interest-bearing	RCFN 6636	726,452	//////////		13.b.(2)
14. Federal funds purchased and securities sold under agreements to repurchase	RCFD 2800			2,020,047	14.
15. a. Demand notes issued to the U.S. Treasury	RCON 2840			644,459	15.a.
b. Trading liabilities (from Schedule RC-D)	RCFD 3548			66,064	15.b.
16. Other borrowed money (includes mortgage indebtedness and obligations under capitalized leases):			//////////		
a. With a remaining maturity of one year or less	RCFD 2332			15,009	16.a.
b. With a remaining maturity of more than one year through three years	RCFD A547			107	16.b.
c. With a remaining maturity of more than three years	RCFD A548			26,511	16.c.
17. Not applicable			//////////		
18. Bank's liability on acceptances executed and outstanding	RCFD 2920			14,749	18.
19. Subordinated notes and debentures(2)	RCFD 3200			345,000	19.
20. Other liabilities (from Schedule RC-G)	RCFD 2930			271,023	20.
21. Total liabilities (sum of items 13 through 20)	RCFD 2948			22,001,457	21.
22. Not applicable			//////////		
EQUITY CAPITAL					
23. Perpetual preferred stock and related surplus	RCFD 3838			0	23.
24. Common stock	RCFD 3230			612,892	24.
25. Surplus (exclude all surplus related to preferred stock)	RCFD 3839			924,675	25.
26. a. Undivided profits and capital reserves	RCFD 3632			368,108	26.a.
b. Net unrealized holding gains (losses) on available-for-sale securities	RCFD 8434			25,196	26.b.
27. Cumulative foreign currency translation adjustments	RCFD 3284			0	27.
28. Total equity capital (sum of items 23 through 27)	RCFD 3210			1,930,871	28.
29. Total liabilities and equity capital (sum of items 21 and 28)	RCFD 3300			23,932,328	29.

To be reported only with the March Report of Condition.

	Number	
1. Indicate in the box at the right the number of the statement below that best describes the most comprehensive level of auditing work performed for the bank by independent external auditors as of any date during 1997	RCFD 6724	2 M.1.

>

- | | |
|---|---|
| 1 = Independent audit of the bank conducted in accordance with generally accepted auditing standards by a certified public accounting firm which submits a report on the bank | 4 = Directors' examination of the bank performed by other external auditors (may be required by state chartering authority) |
| 2 = Independent audit of the bank's parent holding company conducted in accordance with generally accepted auditing standards by a certified public accounting firm which submits a report on the consolidated holding company (but not on the bank separately) | 5 = Review of the bank's financial statements by external auditors |
| 3 = Directors' examination of the bank conducted in accordance with generally accepted auditing standards by a certified public accounting firm (may be required by state chartering authority) | 6 = Compilation of the bank's financial statements by external auditors |
| | 7 = Other audit procedures (excluding tax preparation work) |
| | 8 = No external audit work |

(1) Includes total demand deposits and noninterest-bearing time and savings deposits.
 (2) Includes limited-life preferred stock and related surplus.

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Call Date: 3/31/98 ST-BK: 48-3926 FFIEC 031
 Page RC-3
 Printed 5/11/98 at 10:06

SCHEDULE RC-A--CASH AND BALANCES DUE FROM DEPOSITORY INSTITUTIONS

Exclude assets held for trading.

		C405		< -
		(Column A) Consolidated Bank	(Column B) Domestic Offices	
Dollar Amounts in Thousands		RCFD Bil Mil Thou	RCON Bil Mil Thou	
1.	Cash items in process of collection, unposted debits, and currency and coin	0022 2,415,801	0020 2,043,052	1. a.
	a. Cash items in process of collection and unposted debits	0020 2,043,052	0080 372,749	1. b.
	b. Currency and coin			
2.	Balances due from depository institutions in the U.S.	0082 77,509		2.
	a. U.S. branches and agencies of foreign banks (including their IBFs)	0083 0		2. a.
	b. Other commercial banks in the U.S. and other depository institutions in the U.S. (including their IBFs)	0085 77,509		2. b.
3.	Balances due from banks in foreign countries and foreign central banks	0070 15,182		3.
	a. Foreign branches of other U.S. banks	0073 969		3. a.
	b. Other banks in foreign countries and foreign central banks	0074 14,213		3. b.
4.	Balances due from Federal Reserve Banks	0090 104,651	0090 104,651	4.
5.	Total (sum of items 1 through 4) (total of column A must equal Schedule RC, sum of items 1.a and 1.b)	0010 2,613,143	0010 2,613,143	5.

Memorandum		Dollar Amounts in Thousands		RCON Bil Mil Thou
1.	Noninterest-bearing balances due from commercial banks in the U.S. (included in item 2, column B above)		0050 77,409	M.1.

SCHEDULE RC-B--SECURITIES

Exclude assets held for trading.

		C410		< -		
		Held-to-maturity		Available-for-sale		
		(Column A) Amortized Cost	(Column B) Fair Value	(Column C) Amortized Cost	(Column D) Fair Value(1)	
Dollar Amounts in Thousands		RCFD Bil Mil Thou	RCFD Bil Mil Thou	RCFD Bil Mil Thou	RCFD Bil Mil Thou	
1.	U.S. Treasury securities	0211 0	0213 0	1286 1,115,471	1287 1,113,630	1.
2.	U.S. Government agency obligations (exclude mortgage-backed securities):					
	a. Issued by U.S. Government agencies(2)	1289 0	1290 0	1291 0	1293 0	2. a.
	b. Issued by U.S. Government-sponsored agencies(3)	1294 36	1295 186	1297 221,617	1298 220,996	2. b.

(1) Includes equity securities without readily determinable fair values at historical cost in item 6.b, column D.
 (2) Includes Small Business Administration "Guaranteed Loan Pool Certificates," U.S. Maritime Administration obligations, and Export-Import Bank participation certificates.
 (3) Includes obligations (other than mortgage-backed securities) issued by the Farm Credit System, the Federal Home Loan Bank System, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Financing Corporation, Resolution Funding Corporation, the Student Loan Marketing Association, and the Tennessee Valley Authority.

Legal Title of Bank: Chase Bank of Texas, N.A.
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Call Date: 3/31/98 ST-BK: 48-3926 FFIEC 031
 Page RC-4
 Printed 5/11/98 at 10:06

SCHEDULE RC-B--CONTINUED

Dollar Amounts in Thousands	Held-to-maturity				Available-for-sale				
	(Column A) Amortized Cost		(Column B) Fair Value		(Column C) Amortized Cost		(Column D) Fair Value(1)		
	RCFD	Bil Mil Thou	RCFD	Bil Mil Thou	RCFD	Bil Mil Thou	RCFD	Bil Mil Thou	
3. Securities issued by states and political subdivisions in the U.S.:	////	////	////	////	////	////	////	////	
a. General obligations	1676	200	1677	200	1678	0	1679	0	3.a.
b. Revenue obligations	1681	10	1686	10	1690	0	1691	0	3.b.
c. Industrial development and similar obligations	1694	0	1695	0	1696	0	1697	0	3.c.
4. Mortgage-backed securities (MBS):	////	////	////	////	////	////	////	////	
a. Pass-through securities:	////	////	////	////	////	////	////	////	
(1) Guaranteed by GNMA	1698	0	1699	0	1701	1,438,650	1702	1,462,245	4.a.(1)
(2) Issued by FNMA and FHLMC	1703	313,854	1705	315,960	1706	2,278,260	1707	2,292,085	4.a.(2)
(3) Other pass-through securities	1709	0	1710	0	1711	0	1713	0	4.a.(3)
b. Other mortgage-backed securities (include CMOs, REMICs, and stripped MBS):	////	////	////	////	////	////	////	////	
(1) Issued or guaranteed by FNMA, FHLMC, or GNMA	1714	0	1715	0	1716	224,755	1717	224,928	4.b.(1)
(2) Collateralized by MBS issued or guaranteed by FNMA, FHLMC, or GNMA	1718	0	1719	0	1731	2,144	1732	2,173	4.b.(2)
(3) All other mortgage-backed securities	1733	0	1734	0	1735	0	1736	0	4.b.(3)
5. Other debt securities:	////	////	////	////	////	////	////	////	
a. Other domestic debt securities	1737	0	1738	0	1739	0	1741	0	5.a.
b. Foreign debt securities	1742	0	1743	0	1744	24,826	1746	24,745	5.b.
6. Equity securities:	////	////	////	////	////	////	////	////	
a. Investments in mutual funds and other equity securities with readily determinable fair values	////	////	////	////	A510	0	A511	0	6.a.
b. All other equity securities(1)	////	////	////	////	1752	46,127	1753	46,127	6.b.
7. Total (sum of items 1 through 6) (total of column A must equal Schedule RC, item 2.a) (total of column D must equal Schedule RC, item 2.b)	1754	314,100	1771	316,356	1772	5,351,850	1773	5,386,929	7.

(1) Includes equity securities without readily determinable fair values at historical cost in item 6.b, column D.

Legal Title of Bank: Chase Bank of Texas, N.A.
 Address: P.O. Box 2558
 City, State Zip: Houston, TX 77252-2558
 FDIC Certificate No.: |0|3|2|6|3|

Call Date: 3/31/98 ST-BK: 48-3926 FFIEC 031
 Page RC-5
 Printed 5/11/98 at 10:06

SCHEDULE RC-B--CONTINUED

Memoranda

	C412		< -
	Dollar Amounts in Thousands		
	RCFD	Bil Mil Thou	
1. Pledged securities(1)	0416	1,164,614	M.1.
2. Maturity and repricing data for debt securities(1),(2) (excluding those in nonaccrual status):	//////////	//////////	
a. Securities issued by the U.S. Treasury, U.S. Government agencies, and states and political subdivisions in the U.S.; other non-mortgage debt securities; and mortgage pass-through securities other than those backed by closed-end first lien 1-4 family residential mortgages with a remaining maturity or repricing frequency of:(3)(4)	//////////	//////////	
(1) Three months or less	A549	202,090	M.2.a.(1)
(2) Over three months through 12 months	A550	5,065	M.2.a.(2)
(3) Over one year through three years	A551	149,258	M.2.a.(3)
(4) Over three years through five years	A552	570,099	M.2.a.(4)
(5) Over five years through 15 years	A553	433,069	M.2.a.(5)
(6) Over 15 years	A554	36	M.2.a.(6)
b. Mortgage pass-through securities backed by closed-end first lien 1-4 family residential mortgages with a remaining maturity or repricing frequency of:(3)(5)	//////////	//////////	
(1) Three months or less	A555	1,411	M.2.b.(1)
(2) Over three months through 12 months	A556	44,102	M.2.b.(2)
(3) Over one year through three years	A557	271,325	M.2.b.(3)
(4) Over three years through five years	A558	67,200	M.2.b.(4)
(5) Over five years through 15 years	A559	811,366	M.2.b.(5)
(6) Over 15 years	A560	2,872,780	M.2.b.(6)
c. Other mortgage-backed securities (include CMOs, REMICs, and stripped MBS; exclude mortgage pass-through securities) with an expected average life of:(6)	//////////	//////////	
(1) Three years or less	A561	61,426	M.2.c.(1)
(2) Over three years	A562	165,675	M.2.c.(2)
d. Fixed rate AND floating rate debt securities with a REMAINING MATURITY of one year or less (included in Memorandum items 2.a through 2.c above)	A248	251,212	M.2.d.
3.-6. Not applicable	//////////	//////////	
7. Amortized cost of held-to-maturity securities sold or transferred to available-for-sale or trading securities during the calendar year-to-date (report the amortized cost at date of sale or transfer)	1778	0	M.7.
8. High-risk mortgage securities (included in the held-to-maturity and available-for-sale accounts in Schedule RC-B, item 4.b):	//////////	//////////	
a. Amortized cost	8780	0	M.8.a.
b. Fair value	8781	0	M.8.b.
9. Structured notes (included in the held-to-maturity and available-for-sale accounts in Schedule RC-B, items 2, 3, and 5):	//////////	//////////	
a. Amortized cost	8782	0	M.9.a.
b. Fair value	8783	0	M.9.b.

- (1) Includes held-to-maturity securities at amortized cost and available-for-sale securities at fair value.
- (2) Exclude equity securities, e.g., investments in mutual funds, Federal Reserve stock, common stock, and preferred stock.
- (3) Report fixed rate debt securities by remaining maturity and floating rate debt securities by repricing frequency.
- (4) Sum of Memorandum items 2.a.(1) through 2.a.(6) plus any nonaccrual debt securities in the categories of debt securities reported in Memorandum item 2.a that are included in Schedule RC-N, item 9, column C, must equal Schedule RC-B, sum of items 1, 2, 3, and 5, columns A and D, plus mortgage pass-through securities other than those backed by closed-end first lien 1-4 family residential mortgages included in Schedule RC-B, item 4.a, columns A and D.
- (5) Sum of Memorandum items 2.b.(1) through 2.b.(6) plus any nonaccrual mortgage pass-through securities backed by closed-end first lien 1-4 family residential mortgages included in Schedule RC-N, item 9, column C, must equal Schedule RC-B, item 4.a, sum of columns A and D, less the amount of mortgage pass-through securities other than those backed by closed-end first lien 1-4 family residential mortgages included in Schedule RC-B, item 4.a, columns A and D.
- (6) Sum of Memorandum items 2.c.(1) and 2.c.(2) plus any nonaccrual "Other mortgage-backed securities" included in Schedule RC-N, item 9, column C, must equal Schedule RC-B, item 4.b, sum of columns A and D.

Legal Title of Bank: Chase Bank of Texas, N.A.
 Address: P.O. Box 2558
 City, State Zip: Houston, TX 77252-2558
 FDIC Certificate No.: |0|3|2|6|3|

Call Date: 3/31/98 ST-BK: 48-3926 FFIEC 031
 Page RC-6
 Printed 5/11/98 at 10:06

SCHEDULE RC-C--LOANS AND LEASE FINANCING RECEIVABLES

PART I. LOANS AND LEASES

Do not deduct the allowance for loan and lease losses from amounts reported in this schedule. Report total loans and leases, net of unearned income. Exclude assets held for trading and commercial paper.

| C415 | < -

	(Column A)		(Column B)		
	Consolidated Bank		Domestic Offices		
	Dollar Amounts in Thousands		Dollar Amounts in Thousands		
	RCFD	Bil Mil Thou	RCON	Bil Mil Thou	
1. Loans secured by real estate	1410	2,542,120	//////////	//////////	1.
a. Construction and land development	//////////	//////////	1415	601,970	1.a.
b. Secured by farmland (including farm residential and other improvements)	//////////	//////////	1420	9,248	1.b.
c. Secured by 1-4 family residential properties:	//////////	//////////	//////////	//////////	
(1) Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit	//////////	//////////	1797	0	1.c.(1)
(2) All other loans secured by 1-4 family residential properties:	//////////	//////////	//////////	//////////	
(a) Secured by first liens	//////////	//////////	5367	843,138	1.c.(2)(a)
(b) Secured by junior liens	//////////	//////////	5368	359,670	1.c.(2)(b)
d. Secured by multifamily (5 or more) residential properties	//////////	//////////	1460	78,689	1.d.
e. Secured by nonfarm nonresidential properties	//////////	//////////	1480	649,405	1.e.
2. Loans to depository institutions:	//////////	//////////	//////////	//////////	
a. To commercial banks in the U.S.	//////////	//////////	1505	12,171	2.a.
(1) To U.S. branches and agencies of foreign banks	1506	0	//////////	//////////	2.a.(1)
(2) To other commercial banks in the U.S.	1507	12,171	//////////	//////////	2.a.(2)
b. To other depository institutions in the U.S.	1517	504	1517	504	2.b.
c. To banks in foreign countries	//////////	//////////	1510	29,949	2.c.
(1) To foreign branches of other U.S. banks	1513	19,668	//////////	//////////	2.c.(1)
(2) To other banks in foreign countries	1516	10,281	//////////	//////////	2.c.(2)
3. Loans to finance agricultural production and other loans to farmers	1590	38,193	1590	38,193	3.
4. Commercial and industrial loans:	//////////	//////////	//////////	//////////	
a. To U.S. addressees (domicile)	1763	5,929,584	1763	5,856,475	4.a.
b. To non-U.S. addressees (domicile)	1764	275,093	1764	230,660	4.b.
5. Acceptances of other banks:	//////////	//////////	//////////	//////////	
a. Of U.S. banks	1756	0	1756	0	5.a.
b. Of foreign banks	1757	0	1757	0	5.b.
6. Loans to individuals for household, family, and other personal expenditures (i.e., consumer loans) (includes purchased paper)	//////////	//////////	1975	2,237,515	6.
a. Credit cards and related plans (includes check credit and other revolving credit plans)	2008	126,890	//////////	//////////	6.a.
b. Other (includes single payment, installment, and all student loans)	2011	2,110,625	//////////	//////////	6.b.
7. Loans to foreign governments and official institutions (including foreign central banks)	2081	9,469	2081	5,505	7.
8. Obligations (other than securities and leases) of states and political subdivisions in the U.S. (includes nonrated industrial development obligations)	2107	10,780	2107	10,780	8.
9. Other loans	1563	1,772,988	//////////	//////////	9.
a. Loans for purchasing or carrying securities (secured and unsecured)	//////////	//////////	1545	77,576	9.a.
b. All other loans (exclude consumer loans)	//////////	//////////	1564	1,695,412	9.b.
10. Lease financing receivables (net of unearned income)	//////////	//////////	2165	134,261	10.
a. Of U.S. addressees (domicile)	2182	133,806	//////////	//////////	10.a.
b. Of non-U.S. addressees (domicile)	2183	455	//////////	//////////	10.b.
11. LESS: Any unearned income on loans reflected in items 1-9 above	2123	0	2123	0	11.
12. Total loans and leases, net of unearned income (sum of items 1 through 10 minus item 11) (total of column A must equal Schedule RC, item 4.a)	2122	12,992,627	2122	12,871,121	12.

Legal Title of Bank: Chase Bank of Texas, N.A.
 Address: P.O. Box 2558
 City, State Zip: Houston, TX 77252-2558
 FDIC Certificate No.: |0|3|2|6|3|

Call Date: 3/31/98 ST-BK: 48-3926 FFIEC 031
 Page RC-7
 Printed 5/11/98 at 10:06

SCHEDULE RC-C--CONTINUED
 PART I. CONTINUED

Memoranda

	Dollar Amounts in Thousands		//////	Bil Mil Thou	
1. Not applicable			//////		
2. Loans and leases restructured and in compliance with modified terms (included in Schedule RC-C, part I, above and not reported as past due or nonaccrual in Schedule RC-N, Memorandum item 1):			//////		
a. Loans secured by real estate:			//////		
(1) To U.S. addressees (domicile)	RCFD 1687	0			M.2.a.(1)
(2) To non-U.S. addressees (domicile)	RCFD 1689	0			M.2.a.(2)
b. All other loans and all lease financing receivables (exclude loans to individuals for household, family, and other personal expenditures)	RCFD 8691	0			M.2.b.
c. Commercial and industrial loans to and lease financing receivables of non-U.S. addresses (domicile) included in Memorandum item 2.b above	RCFD 8692	0			M.2.c.
3. Maturity and repricing data for loans and leases (excluding those in nonaccrual status):			//////		
a. Closed-end loans secured by first liens on 1-4 family residential properties in domestic offices (reported in Schedule RC-C, part I, item 1.c.(2)(a), column B) with a remaining maturity or repricing frequency of:(1)(2)			//////		
(1) Three months or less	RCON A564	47,606			M.3.a.(1)
(2) Over three months through 12 months	RCON A565	99,261			M.3.a.(2)
(3) Over one year through three years	RCON A566	51,217			M.3.a.(3)
(4) Over three years through five years	RCON A567	45,401			M.3.a.(4)
(5) Over five years through 15 years	RCON A568	216,044			M.3.a.(5)
(6) Over 15 years	RCON A569	370,918			M.3.a.(6)
b. All loans and leases (reported in Schedule RC-C, part I, items 1 through 10, column A) EXCLUDING closed-end loans secured by first liens on 1-4 family residential properties in domestic offices (reported in Schedule RC-C, part I, item 1.c.(2)(a), column B) with a remaining maturity or repricing frequency of:(1)(3)			//////		
(1) Three months or less	RCFD A570	7,959,482			M.3.b.(1)
(2) Over three months through 12 months	RCFD A571	1,084,628			M.3.b.(2)
(3) Over one year through three years	RCFD A572	823,297			M.3.b.(3)
(4) Over three years through five years	RCFD A573	1,545,877			M.3.b.(4)
(5) Over five years through 15 years	RCFD A574	615,329			M.3.b.(5)
(6) Over 15 years	RCFD A575	62,922			M.3.b.(6)
c. Fixed rate AND floating rate loans and leases (reported in Schedule RC-C, part I, items 1 through 10, column A) with a REMAINING MATURITY of one year or less	RCFD A247	4,882,937			M.3.c.
d. Fixed rate AND floating rate loans secured by nonfarm nonresidential properties in domestic offices (reported in Schedule RC-C, part I, item 1.e, column B) with a REMAINING MATURITY of over five years	RCON A577	110,984			M.3.d.
e. Fixed rate AND floating rate commercial and industrial loans (reported in Schedule RC-C, part I, item 4, column A) with a REMAINING MATURITY of over three years	RCFD A578	2,829,131			M.3.e.

- (1) Report fixed rate loans and leases by remaining maturity and floating rate loans by repricing frequency.
- (2) Sum of Memorandum items 3.a.(1) through 3.a.(6) plus total nonaccrual closed-end loans secured by first liens on 1-4 family residential properties in domestic offices included in Schedule RC-N, Memorandum item 3.c.(2), column C, must equal total closed-end loans secured by first liens on 1-4 family residential properties from Schedule RC-C, part I, item 1.c.(2)(a), column B.
- (3) Sum of Memorandum items 3.b.(1) through 3.b.(6), plus total nonaccrual loans and leases from Schedule RC-N, sum of items 1 through 8, column C, minus nonaccrual closed-end loans secured by first liens on 1-4 family residential properties in domestic offices included in Schedule RC-N, Memorandum item 3.c.(2), column C, must equal total loans and leases from Schedule RC-C, part I, sum of items 1 through 10, column A, minus total closed-end loans secured by first liens on 1-4 family residential properties in domestic offices from Schedule RC-C, part I, item 1.c.(2)(a), column B.

Legal Title of Bank: Chase Bank of Texas, N.A.
 Address: P.O. Box 2558
 City, State Zip: Houston, TX 77252-2558
 FDIC Certificate No.: |0|3|2|6|3|

Call Date: 3/31/98 ST-BK: 48-3926 FFIEC 031
 Page RC-8
 Printed 5/11/98 at 10:06

SCHEDULE RC-C--CONTINUED
 PART I. CONTINUED

Memoranda (continued)

	Dollar Amounts in Thousands	//////////	Bil Mil Thou	
4. Loans to finance commercial real estate, construction, and land development activities (not secured by real estate) included in Schedule RC-C, part I, items 4 and 9, column A, page RC-6(1)		//////////		
5. Loans and leases held for sale (included in Schedule RC-C, part I, page RC-6)		RCFD 2746	630,436	M.4.
6. Adjustable rate closed-end loans secured by first liens on 1-4 family residential properties in domestic offices (included in Schedule RC-C, part I, item 1.c.(2)(a), column B, page RC-6)		RCFD 5369	88,426	M.5.
		RCON 5370	171,992	M.6.

(1) Exclude loans secured by real estate that are included in Schedule RC-C, part I, item 1, column A.

SCHEDULE RC-D--TRADING ASSETS AND LIABILITIES

Schedule RC-D is to be completed only by banks with \$1 billion or more in total assets or with \$2 billion or more in par/notional amount of off-balance sheet derivative contracts (as reported in Schedule RC-L, items 14.a through 14.e, columns A through D).

	Dollar Amounts in Thousands	//////////	Bil Mil Thou	
C420 < -				
ASSETS				
1. U.S. Treasury securities in domestic offices		RCON 3531	0	1.
2. U.S. Government agency obligations in domestic offices (exclude mortgage-backed securities)		RCON 3532	0	2.
3. Securities issued by states and political subdivisions in the U.S. in domestic offices		RCON 3533	0	3.
4. Mortgage-backed securities (MBS) in domestic offices:		//////////		
a. Pass-through securities issued or guaranteed by FNMA, FHLMC, or GNMA		RCON 3534	0	4.a.
b. Other mortgage-backed securities issued or guaranteed by FNMA, FHLMC, or GNMA (include CMOs, REMICs, and stripped MBS)		RCON 3535	0	4.b.
c. All other mortgage-backed securities		RCON 3536	0	4.c.
5. Other debt securities in domestic offices		RCON 3537	0	5.
6.-8. Not applicable.		//////////		
9. Other trading assets in domestic offices		RCON 3541	0	9.
10. Trading assets in foreign offices		RCFN 3542	0	10.
11. Revaluation gains on interest rate, foreign exchange rate, and other commodity and equity contracts:		//////////		
a. In domestic offices		RCON 3543	69,014	11.a.
b. In foreign offices		RCFN 3543	477	11.b.
12. Total trading assets (sum of items 1 through 11) (must equal Schedule RC, item 5)		RCFD 3545	69,491	12.
////////// Bil Mil Thou				
LIABILITIES				
13. Liability for short positions		RCFD 3546	0	13.
14. Revaluation losses on interest rate, foreign exchange rate, and other commodity and equity contracts		RCFD 3547	66,064	14.
15. Total trading liabilities (sum of items 13 and 14) (must equal Schedule RC, item 15.b)		RCFD 3548	66,064	15.

SCHEDULE RC-E--DEPOSIT LIABILITIES

PART I. DEPOSITS IN DOMESTIC OFFICES

| C425 | < -

	Transaction Accounts				Nontransaction Accounts			
	(Column A)		(Column B)		(Column C)			
	Total transaction accounts (including total demand deposits)		Memo: Total demand deposits (included in column A)		Total nontransaction accounts (including MMDAs)			
Dollar Amounts in Thousands	RCON	Bil Mil Thou	RCON	Bil Mil Thou	RCON	Bil Mil Thou		
Deposits of:	//////////							
1. Individuals, partnerships, and corporations	2201	5,987,386	2240	5,547,030	2346	10,805,287	1.	
2. U.S. Government	2202	10,444	2280	8,252	2520	1,028	2.	
3. States and political subdivisions in the U.S.	2203	127,739	2290	66,038	2530	179,905	3.	
4. Commercial banks in the U.S.	2206	616,767	2310	616,767	2550	0	4.	
5. Other depository institutions in the U.S.	2207	36,527	2312	36,527	2349	0	5.	
6. Banks in foreign countries	2213	32,131	2320	32,131	2236	0	6.	
7. Foreign governments and official institutions (including foreign central banks)	2216	1,330	2300	1,330	2377	0	7.	
8. Certified and official checks	2330	73,492	2330	73,492	//////////	//////////	8.	
9. Total (sum of items 1 through 8) (sum of columns A and C must equal Schedule RC, item 13.a)	2215	6,885,816	2210	6,381,567	2385	10,986,220	9.	

Memoranda

	Dollar Amounts in Thousands		RCON	Bil Mil Thou	
1. Selected components of total deposits (i.e., sum of item 9, columns A and C):	//////////				
a. Total Individual Retirement Accounts (IRAs) and Keogh Plan accounts	6835	713,867			M.1.a.
b. Total brokered deposits	2365	0			M.1.b.
c. Fully insured brokered deposits (included in Memorandum item 1.b above):	//////////				
(1) Issued in denominations of less than \$100,000	2343	0			M.1.c.(1)
(2) Issued either in denominations of \$100,000 or in denominations greater than \$100,000 and participated out by the broker in shares of \$100,000 or less	2344	0			M.1.c.(2)
d. Maturity data for brokered deposits:	//////////				
(1) Brokered deposits issued in denominations of less than \$100,000 with a remaining maturity of one year or less (included in Memorandum item 1.c.(1) above)	A243	0			M.1.d.(1)
(2) Brokered deposits issued in denominations of \$100,000 or more with a remaining maturity of one year or less (included in Memorandum item 1.b above)	A244	0			M.1.d.(2)
e. Preferred deposits (uninsured deposits of states and political subdivisions in the U.S. reported in item 3 above which are secured or collateralized as required under state law) (to be completed for the December report only)	5590	N/A			M.1.e.
2. Components of total nontransaction accounts (sum of Memorandum items 2.a through 2.d must equal item 9, column C above):	//////////				
a. Savings deposits:	//////////				
(1) Money market deposit accounts (MMDAs)	6810	4,379,344			M.2.a.(1)
(2) Other savings deposits (excludes MMDAs)	0352	3,182,694			M.2.a.(2)
b. Total time deposits of less than \$100,000	6648	2,427,519			M.2.b.
c. Total time deposits of \$100,000 or more	2604	996,663			M.2.c.
3. All NOW accounts (included in column A above)	2398	504,249			M.3.
4. Not applicable					

Legal Title of Bank: Chase Bank of Texas, N.A.
 Address: P.O. Box 2558
 City, State Zip: Houston, TX 77252-2558
 FDIC Certificate No.: |0|3|2|6|3|

Call Date: 3/31/98 ST-BK: 48-3926 FFIEC 031
 Page RC-10
 Printed 5/11/98 at 10:06

SCHEDULE RC-E--CONTINUED

PART I. CONTINUED

Memoranda (continued)

	Dollar Amounts in Thousands	RCON	Bil	Mil	Thou	
5. Maturity and repricing data for time deposits of less than \$100,000:						
a. Time deposits of less than \$100,000 with a remaining maturity or repricing frequency of:(1)(2)						
(1) Three months or less	A579		1,565,022			M.5.a.(1)
(2) Over three months through 12 months	A580		391,229			M.5.a.(2)
(3) Over one year through three years	A581		391,268			M.5.a.(3)
(4) Over three years	A582		80,000			M.5.a.(4)
b. Fixed rate AND floating rate time deposits of less than \$100,000 with a REMAINING MATURITY of one year or less (included in Memorandum items 5.a.(1) through 5.a.(4) above)	A241		1,956,251			M.5.b.
6. Maturity and repricing data for time deposits of \$100,000 or more:						
a. Time deposits of \$100,000 or more with a remaining maturity or repricing frequency of:(1)(3)						
(1) Three months or less	A584		741,523			M.6.a.(1)
(2) Over three months through 12 months	A585		182,985			M.6.a.(2)
(3) Over one year through three years	A586		54,218			M.6.a.(3)
(4) Over three years	A587		17,937			M.6.a.(4)
b. Fixed rate AND floating rate time deposits of \$100,000 or more with a REMAINING MATURITY of one year or less (included in Memorandum items 6.a.(1) through 6.a.(4) above)	A242		924,508			M.6.b.

- (1) Report fixed rate time deposits by remaining maturity and floating rate time deposits by repricing frequency.
- (2) Sum of Memorandum items 5.a.(1) through 5.a.(4) must equal Schedule RC-E, Memorandum item 2.b above.
- (3) Sum of Memorandum items 6.a.(1) through 6.a.(4) must equal Schedule RC-E, Memorandum item 2.c above.

Legal Title of Bank: Chase Bank of Texas, N.A.
 Address: P.O. Box 2558
 City, State Zip: Houston, TX 77252-2558
 FDIC Certificate No.: |0|3|2|6|3|

Call Date: 3/31/98 ST-BK: 48-3926 FFIEC 031
 Page RC-11
 Printed 5/11/98 at 10:06

SCHEDULE RC-E--CONTINUED

PART II. DEPOSITS IN FOREIGN OFFICES (INCLUDING EDGE AND AGREEMENT SUBSIDIARIES AND IBFS)

	Dollar Amounts in Thousands	RCFN	Bil Mil Thou	
Deposits of:				
1. Individuals, partnerships, and corporations	2621		333,152	1.
2. U.S. banks (including IBFs and foreign branches of U.S. banks)	2623		393,300	2.
3. Foreign banks (including U.S. branches and agencies of foreign banks, including their IBFs) ...	2625		0	3.
4. Foreign governments and official institutions (including foreign central banks)	2650		0	4.
5. Certified and official checks	2330		0	5.
6. All other deposits	2668		0	6.
7. Total (sum of items 1 through 6) (must equal Schedule RC, item 13.b)	2200		726,452	7.

Memorandum

	Dollar Amounts in Thousands	RCFN	Bil Mil Thou	
1. Time deposits with a remaining maturity of one year or less (included in Part II, item 7 above)	A245		726,452	M.1.

SCHEDULE RC-F--OTHER ASSETS

	Dollar Amounts in Thousands	RCFD	Bil Mil Thou	
1. Income earned, not collected on loans	RCFD 2164		85,343	1.
2. Net deferred tax assets(1)	RCFD 2148		22,439	2.
3. Interest-only strips receivable (not in the form of a security)(2) on:				
a. Mortgage loans	RCFD A519		0	3.a.
b. Other financial assets	RCFD A520		0	3.b.
4. Other (itemize and describe amounts that exceed 25% of this item)	RCFD 2168		145,370	4.
a. TEXT 3549 	RCFD 3549			4.a.
b. TEXT 3550 	RCFD 3550			4.b.
c. TEXT 3551 	RCFD 3551			4.c.
5. Total (sum of items 1 through 4) (must equal Schedule RC, item 11)	RCFD 2160		253,152	5.

Memorandum

	Dollar Amounts in Thousands	RCFD	Bil Mil Thou	
1. Deferred tax assets disallowed for regulatory capital purposes	RCFD 5610		0	M.1.

SCHEDULE RC-G--OTHER LIABILITIES

	Dollar Amounts in Thousands	RCFD	Bil Mil Thou	
1. a. Interest accrued and unpaid on deposits in domestic offices(3)	RCFD 3645		24,035	1.a.
b. Other expenses accrued and unpaid (includes accrued income taxes payable)	RCFD 3646		223,075	1.b.
2. Net deferred tax liabilities(1)	RCFD 3049		394	2.
3. Minority interest in consolidated subsidiaries	RCFD 3000		0	3.
4. Other (itemize and describe amounts that exceed 25% of this item)	RCFD 2938		23,519	4.
a. TEXT 3552 Accrued Interst Payable Failed Securities Purchase	RCFD 3552		12,472	4.a.
b. TEXT 3553 	RCFD 3553			4.b.
c. TEXT 3554 	RCFD 3554			4.c.
5. Total (sum of items 1 through 4) (must equal Schedule RC, item 20)	RCFD 2930		271,023	5.

(1) See discussion of deferred income taxes in Glossary entry on "income taxes."
 (2) Report interest-only strips receivable in the form of a security as available-for-sale securities in Schedule RC, item 2.b, or as trading assets in Schedule RC, item 5, as appropriate.
 (3) For savings banks, include "dividends" accrued and unpaid on deposits.

Legal Title of Bank: Chase Bank of Texas, N.A.
 Address: P.O. Box 2558
 City, State Zip: Houston, TX 77252-2558
 FDIC Certificate No.: |0|3|2|6|3|

Call Date: 3/31/98 ST-BK: 48-3926 FFIEC 031
 Page RC-12
 Printed 5/11/98 at 10:06

SCHEDULE RC-H--SELECTED BALANCE SHEET ITEMS FOR DOMESTIC OFFICES

	C440		< -
	Domestic Offices		
Dollar Amounts in Thousands	RCON	Bil Mil Thou	
1. Customers' liability to this bank on acceptances outstanding	2155	14,749	1.
2. Bank's liability on acceptances executed and outstanding	2920	14,749	2.
3. Federal funds sold and securities purchased under agreements to resell	1350	1,437,483	3.
4. Federal funds purchased and securities sold under agreements to repurchase	2800	2,020,047	4.
5. Other borrowed money	3190	41,627	5.
EITHER	//////////	//////////	
6. Net due from own foreign offices, Edge and Agreement subsidiaries, and IBFs	2163	N/A	6.
OR	//////////	//////////	
7. Net due to own foreign offices, Edge and Agreement subsidiaries, and IBFs	2941	603,770	7.
8. Total assets (excludes net due from foreign offices, Edge and Agreement subsidiaries, and IBFs)	2192	23,808,156	8.
9. Total liabilities (excludes net due to foreign offices, Edge and Agreement subsidiaries, and IBFs)	3129	21,273,514	9.

In items 10-17, report the amortized (historical) cost of both held-to-maturity and available-for-sale securities in domestic offices.

	RCON	Bil Mil Thou	
10. U.S. Treasury securities	1039	1,115,471	10.
11. U.S. Government agency obligations (exclude mortgage-backed securities)	1041	221,653	11.
12. Securities issued by states and political subdivisions in the U.S.	1042	210	12.
13. Mortgage-backed securities (MBS):	//////////	//////////	
a. Pass-through securities:	//////////	//////////	
(1) Issued or guaranteed by FNMA, FHLMC, or GNMA	1043	4,030,764	13.a.(1)
(2) Other pass-through securities	1044	0	13.a.(2)
b. Other mortgage-backed securities (include CMOs, REMICs, and stripped MBS):	//////////	//////////	
(1) Issued or guaranteed by FNMA, FHLMC, or GNMA	1209	224,755	13.b.(1)
(2) All other mortgage-backed securities	1280	2,144	13.b.(2)
14. Other domestic debt securities	1281	0	14.
15. Foreign debt securities	1282	24,826	15.
16. Equity securities:	//////////	//////////	
a. Investments in mutual funds and other equity securities with readily determinable fair values	A510	0	16.a.
b. All other equity securities	1752	46,127	16.b.
17. Total amortized (historical) cost of both held-to-maturity and available-for-sale securities (sum of items 10 through 16)	1374	5,665,950	17.

Memorandum (to be completed only by banks with IBFs and other "foreign" offices)

	Dollar Amounts in Thousands		
	RCON	Bil Mil Thou	
EITHER	//////////	//////////	
1. Net due from the IBF of the domestic offices of the reporting bank	3051	N/A	M.1.
OR	//////////	//////////	
2. Net due to the IBF of the domestic offices of the reporting bank	3059	N/A	M.2.

Legal Title of Bank: Chase Bank of Texas, N.A.
 Address: P.O. Box 2558
 City, State Zip: Houston, TX 77252-2558
 FDIC Certificate No.: |0|3|2|6|3|

Call Date: 3/31/98 ST-BK: 48-3926 FFIEC 031
 Page RC-13
 Printed 5/11/98 at 10:06

SCHEDULE RC-I--SELECTED ASSETS AND LIABILITIES OF IBFS
 TO BE COMPLETED ONLY BY BANKS WITH IBFS AND OTHER "FOREIGN" OFFICES.

	C445			< -
Dollar Amounts in Thousands	RCFN	Bil	Mil	Thou
1. Total IBF assets of the consolidated bank (component of Schedule RC, item 12)	2133		N/A	1.
2. Total IBF loans and lease financing receivables (component of Schedule RC-C, part I, item 12, column A)	//////////			
3. IBF commercial and industrial loans (component of Schedule RC-C, part I, item 4, column A)	2076		N/A	2.
4. Total IBF liabilities (component of Schedule RC, item 21)	//////////			
5. IBF deposit liabilities due to banks, including other IBFs (component of Schedule RC-E, part II, items 2 and 3)	2077		N/A	3.
6. Other IBF deposit liabilities (component of Schedule RC-E, part II, items 1, 4, 5, and 6)	2898		N/A	4.
	//////////			
	2379		N/A	5.
	2381		N/A	6.

SCHEDULE RC-K--QUARTERLY AVERAGES(1)

	C455			< -
Dollar Amounts in Thousands	RCFN	Bil	Mil	Thou
ASSETS				
1. Interest-bearing balances due from depository institutions	RCFD 3381		100	1.
2. U.S. Treasury securities and U.S. Government agency obligations(2)	RCFD 3382	5,437,815		2.
3. Securities issued by states and political subdivisions in the U.S.(2)	RCFD 3383		210	3.
4. a. Other debt securities(2)	RCFD 3647		83,060	4.a.
b. Equity securities(3) (includes investments in mutual funds and Federal Reserve stock) ..	RCFD 3648		46,127	4.b.
5. Federal funds sold and securities purchased under agreements to resell	RCFD 3365		576,443	5.
6. Loans:	//////////			
a. Loans in domestic offices:	//////////			
(1) Total loans	RCON 3360	12,527,932		6.a.(1)
(2) Loans secured by real estate	RCON 3385	2,573,922		6.a.(2)
(3) Loans to finance agricultural production and other loans to farmers	RCON 3386		46,004	6.a.(3)
(4) Commercial and industrial loans	RCON 3387	6,018,727		6.a.(4)
(5) Loans to individuals for household, family, and other personal expenditures	RCON 3388	2,401,825		6.a.(5)
b. Total loans in foreign offices, Edge and Agreement subsidiaries, and IBFs	RCFN 3360		140,321	6.b.
7. Trading assets	RCFD 3401		56,565	7.
8. Lease financing receivables (net of unearned income)	RCFD 3484		134,005	8.
9. Total assets(4)	RCFD 3368	22,327,336		9.
LIABILITIES				
10. Interest-bearing transaction accounts in domestic offices (NOW accounts, ATS accounts, and telephone and preauthorized transfer accounts) (exclude demand deposits)	RCON 3485		449,118	10.
11. Nontransaction accounts in domestic offices:	//////////			
a. Money market deposit accounts (MMDAs)	RCON 3486	4,180,374		11.a.
b. Other savings deposits	RCON 3487	3,081,120		11.b.
c. Time deposits of \$100,000 or more	RCON A514	973,974		11.c.
d. Time deposits of less than \$100,000	RCON A529	2,459,375		11.d.
12. Interest-bearing deposits in foreign offices, Edge and Agreement subsidiaries, and IBFs ..	RCFN 3404		867,624	12.
13. Federal funds purchased and securities sold under agreements to repurchase	RCFD 3353		1,860,712	13.
14. Other borrowed money (includes mortgage indebtedness and obligations under capitalized leases)	RCFD 3355		52,721	14.

- (1) For all items, banks have the option of reporting either (1) an average of daily figures for the quarter, or (2) an average of weekly figures (i.e., the Wednesday of each week of the quarter).
- (2) Quarterly averages for all debt securities should be based on amortized cost.
- (3) Quarterly averages for all equity securities should be based on historical cost.
- (4) The quarterly average for total assets should reflect all debt securities (not held for trading) at amortized cost, equity securities with readily determinable fair values at the lower of cost or fair value, and equity securities without readily determinable fair values at historical cost.

Legal Title of Bank: Chase Bank of Texas, N.A.
 Address: P.O. Box 2558
 City, State Zip: Houston, TX 77252-2558
 FDIC Certificate No.: |0|3|2|6|3|

Call Date: 3/31/98 ST-BK: 48-3926 FFIEC 031
 Page RC-14
 Printed 5/11/98 at 10:06

SCHEDULE RC-L--OFF-BALANCE SHEET ITEMS

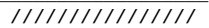
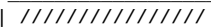
Please read carefully the instructions for the preparation of Schedule RC-L.
 Some of the amounts reported in Schedule RC-L are regarded as volume indicators and not necessarily as measures of risk.

	C460		< -
Dollar Amounts in Thousands	RCFD	Bil Mil Thou	
1. Unused commitments:			
a. Revolving, open-end lines secured by 1-4 family residential properties, e.g., home equity lines	3814	0	1. a.
b. Credit card lines	3815	0	1. b.
c. Commercial real estate, construction, and land development:			
(1) Commitments to fund loans secured by real estate	3816	647,020	1. c.(1)
(2) Commitments to fund loans not secured by real estate	6550	390,700	1. c.(2)
d. Securities underwriting	3817	0	1. d.
e. Other unused commitments	3818	8,309,146	1. e.
2. Financial standby letters of credit and foreign office guarantees	3819	1,189,412	2.
a. Amount of financial standby letters of credit conveyed to others	RCFD 3820	82,641	2. a.
3. Performance standby letters of credit and foreign office guarantees	3821	159,338	3.
a. Amount of performance standby letters of credit conveyed to others	RCFD 3822	666	3. a.
4. Commercial and similar letters of credit	3411	210,606	4.
5. Participations in acceptances (as described in the instructions) conveyed to others by the reporting bank	3428	0	5.
6. Participations in acceptances (as described in the instructions) acquired by the reporting (nonaccepting) bank	3429	0	6.
7. Securities borrowed	3432	0	7.
8. Securities lent (including customers' securities lent where the customer is indemnified against loss by the reporting bank)	3433	0	8.
9. Financial assets transferred with recourse that have been treated as sold for Call Report purposes:			
a. First lien 1-to-4 family residential mortgage loans:			
(1) Outstanding principal balance of mortgages transferred as of the report date	A521	0	9. a.(1)
(2) Amount of recourse exposure on these mortgages as of the report date	A522	0	9. a.(2)
b. Other financial assets (excluding small business obligations reported in item 9.c):			
(1) Outstanding principal balance of assets transferred as of the report date	A523	0	9. b.(1)
(2) Amount of recourse exposure on these assets as of the report date	A524	0	9. b.(2)
c. Small business obligations transferred with recourse under Section 208 of the Riegle Community Development and Regulatory Improvement Act of 1994:			
(1) Outstanding principal balance of small business obligations transferred as of the report date	A249	0	9. c.(1)
(2) Amount of retained recourse on these obligations as of the report date	A250	0	9. c.(2)
10. Notional amount of credit derivatives:			
a. Credit derivatives on which the reporting bank is the guarantor	A534	0	10. a.
b. Credit derivatives on which the reporting bank is the beneficiary	A535	0	10. b.
11. Spot foreign exchange contracts	8765	677,103	11.
12. All other off-balance sheet liabilities (exclude off-balance sheet derivatives) (itemize and describe each component of this item over 25% of Schedule RC, item 28, "Total equity capital")	3430	0	12.
a. TEXT 3555	RCFD 3555		12. a.
b. TEXT 3556	RCFD 3556		12. b.
c. TEXT 3557	RCFD 3557		12. c.
d. TEXT 3558	RCFD 3558		12. d.

SCHEDULE RC-L--CONTINUED

		Dollar Amounts in Thousands			RCFD	Bil	Mil	Thou	
13.	All other off-balance sheet assets (exclude off-balance sheet derivatives) (itemize and describe each component of this item over 25% of Schedule RC, item 28, "Total equity capital")	//////////			5591		0		13.
a.	TEXT 5592	//////////							13.a.
b.	TEXT 5593	//////////							13.b.
c.	TEXT 5594	//////////							13.c.
d.	TEXT 5595	//////////							13.d.

		C461				<	-		
Dollar Amounts in Thousands		(Column A) Interest Rate Contracts		(Column B) Foreign Exchange Contracts		(Column C) Equity Derivative Contracts		(Column D) Commodity and Other Contracts	
Off-balance Sheet Derivatives Position Indicators		Tril	Bil	Mil	Thou	Tril	Bil	Mil	Thou
14.	Gross amounts (e.g., notional amounts) (for each column, sum of items 14.a through 14.e must equal sum of items 15, 16.a, and 16.b):	//////////		//////////		//////////		//////////	
a.	Futures contracts	0		0		0		0	
		RCFD 8693		RCFD 8694		RCFD 8695		RCFD 8696	
b.	Forward contracts	0		944,272		0		0	
		RCFD 8697		RCFD 8698		RCFD 8699		RCFD 8700	
c.	Exchange-traded option contracts:	//////////		//////////		//////////		//////////	
(1)	Written options	1,300,000		0		0		0	
		RCFD 8701		RCFD 8702		RCFD 8703		RCFD 8704	
(2)	Purchased options	1,300,000		0		0		0	
		RCFD 8705		RCFD 8706		RCFD 8707		RCFD 8708	
d.	Over-the-counter option contracts:	//////////		//////////		//////////		//////////	
(1)	Written options	1,232,372		45,377		299,092		0	
		RCFD 8709		RCFD 8710		RCFD 8711		RCFD 8712	
(2)	Purchased options	1,467,372		45,377		299,092		0	
		RCFD 8713		RCFD 8714		RCFD 8715		RCFD 8716	
e.	Swaps	6,449,380		194		0		0	
		RCFD 3450		RCFD 3826		RCFD 8719		RCFD 8720	
15.	Total gross notional amount of derivative contracts held for trading ..	7,656,187		1,035,220		598,184		0	
		RCFD A126		RCFD A127		RCFD 8723		RCFD 8724	
16.	Gross notional amount of derivative contracts held for purposes other than trading:	//////////		//////////		//////////		//////////	
a.	Contracts marked to market	235,000		0		0		0	
		RCFD 8725		RCFD 8726		RCFD 8727		RCFD 8728	
b.	Contracts not marked to market	3,857,937		0		0		0	
		RCFD 8729		RCFD 8730		RCFD 8731		RCFD 8732	
c.	Interest rate swaps where the bank has agreed to pay a fixed rate	7,937		//////////		//////////		//////////	



Legal Title of Bank: Chase Bank of Texas, N.A.
 Address: P.O. Box 2558
 City, State Zip: Houston, TX 77252-2558
 FDIC Certificate No.: |0|3|2|6|3|

Call Date: 3/31/98 ST-BK: 48-3926 FFIEC 031
 Page RC-16
 Printed 5/11/98 at 10:06

SCHEDULE RC-L--CONTINUED

| C462 | < -

Dollar Amounts in Thousands	(Column A) Interest Rate Contracts		(Column B) Foreign Exchange Contracts		(Column C) Equity Derivative Contracts		(Column D) Commodity and Other Contracts		
	RCFD	Bil Mil Thou	RCFD	Bil Mil Thou	RCFD	Bil Mil Thou	RCFD	Bil Mil Thou	
17. Gross fair values of derivative contracts:	////	////	////	////	////	////	////	////	
a. Contracts held for trading:	////	////	////	////	////	////	////	////	
(1) Gross positive fair value	8733	38,299	8734	24,262	8735	26,422	8736	0	17.a.(1)
(2) Gross negative fair value	8737	35,303	8738	24,286	8739	26,422	8740	0	17.a.(2)
b. Contracts held for purposes other than trading that are marked to market:	////	////	////	////	////	////	////	////	
(1) Gross positive fair value	8741	45	8742	0	8743	0	8744	0	17.b.(1)
(2) Gross negative fair value	8745	0	8746	0	8747	0	8748	0	17.b.(2)
c. Contracts held for purposes other than trading that are not marked to market:	////	////	////	////	////	////	////	////	
(1) Gross positive fair value	8749	364	8750	0	8751	0	8752	0	17.c.(1)
(2) Gross negative fair value	8753	2,099	8754	0	8755	0	8756	0	17.c.(2)

Memoranda	Dollar Amounts in Thousands		RCFD	Bil Mil Thou	
1.-2. Not applicable	////	////	////	////	
3. Unused commitments with an original maturity exceeding one year that are reported in Schedule RC-L, items 1.a through 1.e, above (report only the unused portions of commitments that are fee paid or otherwise legally binding)	3833	5,987,992			M.3.
a. Participations in commitments with an original maturity exceeding one year conveyed to others	RCFD 3834	115,135	////	////	M.3.a.
4. To be completed only by banks with \$1 billion or more in total assets: Standby letters of credit and foreign office guarantees (both financial and performance) issued to non-U.S. addressees (domicile) included in Schedule RC-L, items 2 and 3, above	3377	95,120			M.4.
5. Loans to individuals for household, family, and other personal expenditures that have been securitized and sold (with servicing retained), amounts outstanding by type of loan:	////	////	////	////	
a. Loans to purchase private passenger automobiles (to be completed for the September report only).....	2741	N/A			M.5.a.
b. Credit cards and related plans (TO BE COMPLETED QUARTERLY).....	2742	0			M.5.b.
c. All other consumer credit (including mobile home loans) (to be completed for the September report only).....	2743	N/A			M.5.c.

Legal Title of Bank: Chase Bank of Texas, N.A.
 Address: P.O. Box 2558
 City, State Zip: Houston, TX 77252-2558
 FDIC Certificate No.: |0|3|2|6|3|

Call Date: 3/31/98 ST-BK: 48-3926 FFIEC 031
 Page RC-17
 Printed 5/11/98 at 10:06

SCHEDULE RC-M--MEMORANDA

	C465		< -
Dollar Amounts in Thousands	RCFD	Bil Mil Thou	
1. Extensions of credit by the reporting bank to its executive officers, directors, principal shareholders, and their related interests as of the report date:	//////////		
a. Aggregate amount of all extensions of credit to all executive officers, directors, principal shareholders, and their related interests	6164	6,094	1.a.
b. Number of executive officers, directors, and principal shareholders to whom the amount of all extensions of credit by the reporting bank (including extensions of credit to related interests) equals or exceeds the lesser of \$500,000 or 5 percent	Number		
of total capital as defined for this purpose in agency regulations .	RCFD 6165	0	1.b.
2. Federal funds sold and securities purchased under agreements to resell with U.S. branches and agencies of foreign banks(1) (included in Schedule RC, item 3)	3405	0	2.
3. Not applicable.	//////////		
4. Outstanding principal balance of 1-4 family residential mortgage loans serviced for others (include both retained servicing and purchased servicing):	//////////		
a. Mortgages serviced under a GNMA contract	5500	0	4.a.
b. Mortgages serviced under a FHLMC contract:	//////////		
(1) Serviced with recourse to servicer	5501	0	4.b.(1)
(2) Serviced without recourse to servicer	5502	0	4.b.(2)
c. Mortgages serviced under a FNMA contract:	//////////		
(1) Serviced under a regular option contract	5503	0	4.c.(1)
(2) Serviced under a special option contract	5504	0	4.c.(2)
d. Mortgages serviced under other servicing contracts	5505	0	4.d.
5. To be completed only by banks with \$1 billion or more in total assets: Customers' liability to this bank on acceptances outstanding (sum of items 5.a and 5.b must equal Schedule RC, item 9):	//////////		
a. U.S. addressees (domicile)	2103	4,739	5.a.
b. Non-U.S. addressees (domicile)	2104	10,010	5.b.
6. Intangible assets:	//////////		
a. Mortgage servicing assets	3164	0	6.a.
(1) Estimated fair value of mortgage servicing assets	RCFD A590	0	6.a.(1)
b. Other identifiable intangible assets:	//////////		
(1) Purchased credit card relationships	5506	0	6.b.(1)
(2) All other identifiable intangible assets	5507	69,823	6.b.(2)
c. Goodwill	3163	337,178	6.c.
d. Total (sum of items 6.a, 6.b.(1), 6.b.(2), and 6.c) (must equal Schedule RC, item 10)	2143	407,001	6.d.
e. Amount of intangible assets (included in item 6.b.(2) above) that have been grandfathered or are otherwise qualifying for regulatory capital purposes	6442	0	6.e.
7. Mandatory convertible debt, net of common or perpetual preferred stock dedicated to redeem the debt	3295	0	7.

(1) Do not report federal funds sold and securities purchased under agreements to resell with other commercial banks in the U.S. in this item.

Legal Title of Bank: Chase Bank of Texas, N.A.
 Address: P.O. Box 2558
 City, State Zip: Houston, TX 77252-2558
 FDIC Certificate No.: |0|3|2|6|3|

Call Date: 3/31/98 ST-BK: 48-3926 FFIEC 031
 Page RC-18
 Printed 5/11/98 at 10:06

SCHEDULE RC-M--CONTINUED

	Dollar Amounts in Thousands	Bil Mil Thou	
8. a. Other real estate owned:			
(1) Direct and indirect investments in real estate ventures	RCFD 5372	0	8. a.(1)
(2) All other real estate owned:			
(a) Construction and land development in domestic offices	RCON 5508	0	8. a.(2)(a)
(b) Farmland in domestic offices	RCON 5509	0	8. a.(2)(b)
(c) 1-4 family residential properties in domestic offices	RCON 5510	0	8. a.(2)(c)
(d) Multifamily (5 or more) residential properties in domestic offices	RCON 5511	0	8. a.(2)(d)
(e) Nonfarm nonresidential properties in domestic offices	RCON 5512	43	8. a.(2)(e)
(f) In foreign offices	RCFN 5513	0	8. a.(2)(f)
(3) Total (sum of items 8.a.(1) and 8.a.(2)) (must equal Schedule RC, item 7)	RCFD 2150	43	8. a.(3)
b. Investments in unconsolidated subsidiaries and associated companies:			
(1) Direct and indirect investments in real estate ventures	RCFD 5374	0	8. b.(1)
(2) All other investments in unconsolidated subsidiaries and associated companies..	RCFD 5375	13,052	8. b.(2)
(3) Total (sum of items 8.b.(1) and 8.b.(2)) (must equal Schedule RC, item 8)	RCFD 2130	13,052	8. b.(3)
9. Noncumulative perpetual preferred stock and related surplus included in Schedule RC, item 23, "Perpetual preferred stock and related surplus"	RCFD 3778	0	9.
10. Mutual fund and annuity sales in domestic offices during the quarter (include proprietary, private label, and third party products):			
a. Money market funds	RCON 6441	9,571,259	10. a.
b. Equity securities funds	RCON 8427	30,729	10. b.
c. Debt securities funds	RCON 8428	14,293	10. c.
d. Other mutual funds	RCON 8429	178,736	10. d.
e. Annuities	RCON 8430	17,258	10. e.
f. Sales of proprietary mutual funds and annuities (included in items 10.a through 10.e above)	RCON 8784	4,274,029	10. f.
11. Net unamortized realized deferred gains (losses) on off-balance sheet derivative contracts included in assets and liabilities reported in Schedule RC	RCFD A525	(342)	11.
12. Amount of assets netted against nondeposit liabilities and deposits in foreign offices (other than insured branches in Puerto Rico and U.S. territories and possessions) on the balance sheet (Schedule RC) in accordance with generally accepted accounting principles(1)	RCFD A526	0	12.
13. Outstanding principal balance of loans other than 1-4 family residential mortgage loans that are serviced for others (to be completed if this balance is more than \$10 million and exceeds ten percent of total assets)	RCFD A591	0	13.

Memorandum	Dollar Amounts in Thousands	RCFD	Bil Mil Thou	
1. Reciprocal holdings of banking organizations' capital instruments (to be completed for the December report only)		3836	N/A	M.1.

(1) Exclude netted on-balance sheet amounts associated with off-balance sheet derivative contracts, deferred tax assets netted against deferred tax liabilities, and assets netted in accounting for pensions.

Legal Title of Bank: Chase Bank of Texas, N.A.
 Address: P.O. Box 2558
 City, State Zip: Houston, TX 77252-2558
 FDIC Certificate No.: |0|3|2|6|3|

Call Date: 3/31/98 ST-BK: 48-3926 FFIEC 031
 Page RC-19
 Printed 5/11/98 at 10:06

SCHEDULE RC-N--PAST DUE AND NONACCRUAL LOANS, LEASES,
 AND OTHER ASSETS

The FFIEC regards the information reported in all of Memorandum item 1, in items 1 through 10, column A, and in Memorandum items 2 through 4, column A, as confidential.

| C470 | < -

	(Column A) Past due 30 through 89 days and still accruing			(Column B) Past due 90 days or more and still accruing			(Column C) Nonaccrual			
	RCFD	Bil	Mil Thou	RCFD	Bil	Mil Thou	RCFD	Bil	Mil Thou	
Dollar Amounts in Thousands										
1. Loans secured by real estate:										
a. To U.S. addressees (domicile)	1245		105,269	1246		7,779	1247		27,447	1. a.
b. To non-U.S. addressees (domicile)	1248		0	1249		0	1250		0	1. b.
2. Loans to depository institutions and acceptances of other banks:										
a. To U.S. banks and other U.S. depository institutions	5377		0	5378		0	5379		0	2. a.
b. To foreign banks	5380		0	5381		0	5382		0	2. b.
3. Loans to finance agricultural production and other loans to farmers	1594		110	1597		0	1583		1,740	3.
4. Commercial and industrial loans:										
a. To U.S. addressees (domicile)	1251		79,860	1252		11,991	1253		37,476	4. a.
b. To non-U.S. addressees (domicile)	1254		2,581	1255		0	1256		127	4. b.
5. Loans to individuals for household, family, and other personal expenditures:										
a. Credit cards and related plans	5383		1,205	5384		1,315	5385		0	5. a.
b. Other (includes single payment, installment, and all student loans)	5386		55,853	5387		6,593	5388		2,294	5. b.
6. Loans to foreign governments and official institutions	5389		0	5390		0	5391		0	6.
7. All other loans	5459		20,945	5460		3,472	5461		1,561	7.
8. Lease financing receivables:										
a. Of U.S. addressees (domicile)	1257		0	1258		0	1259		0	8. a.
b. Of non-U.S. addressees (domicile)	1271		0	1272		0	1791		0	8. b.
9. Debt securities and other assets (exclude other real estate owned and other repossessed assets) .	3505		0	3506		0	3507		0	9.

Amounts reported in items 1 through 8 above include guaranteed and unguaranteed portions of past due and nonaccrual loans and leases. Report in item 10 below certain guaranteed loans and leases that have already been included in the amounts reported in items 1 through 8.

	RCFD	Bil	Mil Thou	RCFD	Bil	Mil Thou	RCFD	Bil	Mil Thou	
10. Loans and leases reported in items 1 through 8 above which are wholly or partially guaranteed by the U.S. Government	5612		2,512	5613		610	5614		5,548	10.
a. Guaranteed portion of loans and leases included in item 10 above	5615		2,062	5616		554	5617		4,438	10. a.

Legal Title of Bank: Chase Bank of Texas, N.A.
 Address: P.O. Box 2558
 City, State Zip: Houston, TX 77252-2558
 FDIC Certificate No.: |0|3|2|6|3|

Call Date: 3/31/98 ST-BK: 48-3926 FFIEC 031
 Page RC-20
 Printed 5/11/98 at 10:06

SCHEDULE RC-N--CONTINUED

| C473 | < -

Memoranda	(Column A) Past due 30 through 89 days and still accruing		(Column B) Past due 90 days or more and still accruing		(Column C) Nonaccrual		
	RCFD	Bil Mil Thou	RCFD	Bil Mil Thou	RCFD	Bil Mil Thou	
Dollar Amounts in Thousands							
1. Restructured loans and leases included in Schedule RC-N, items 1 through 8, above (and not reported in Schedule RC-C, part I, Memorandum item 2)	1658	0	1659	0	1661	0	M.1.
2. Loans to finance commercial real estate, construction, and land development activities (not secured by real estate) included in Schedule RC-N, items 4 and 7, above	6558	1,651	6559	0	6560	1,938	M.2.
3. Loans secured by real estate in domestic offices (included in Schedule RC-N, item 1, above):	RCON	Bil Mil Thou	RCON	Bil Mil Thou	RCON	Bil Mil Thou	
a. Construction and land development	2759	38,615	2769	2,064	3492	2,569	M.3.a.
b. Secured by farmland	3493	1,394	3494	0	3495	124	M.3.b.
c. Secured by 1-4 family residential properties:							
(1) Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit	5398	0	5399	0	5400	0	M.3.c.(1)
(2) All other loans secured by 1-4 family residential properties	5401	41,324	5402	2,104	5403	12,692	M.3.c.(2)
d. Secured by multifamily (5 or more) residential properties	3499	1,344	3500	2,000	3501	1,135	M.3.d.
e. Secured by nonfarm nonresidential properties ..	3502	22,592	3503	1,611	3504	10,927	M.3.e.

4. Interest rate, foreign exchange rate, and other commodity and equity contracts:	(Column A) Past due 30 through 89 days		(Column B) Past due 90 days or more		
	RCFD	Bil Mil Thou	RCFD	Bil Mil Thou	
a. Book value of amounts carried as assets	3522	0	3528	0	M.4.a.
b. Replacement cost of contracts with a positive replacement cost	3529	0	3530	0	M.4.b.

| C477 | < -

Person to whom questions about the Reports of Condition and Income should be directed:
 Karen Gatenby, Vice President (713) 216-5263
 Name and Title (TEXT 8901) Telephone: Area code/phone number/extension (TEXT 8902)
 Even though Call Reports must be filed electronically, send my bank a sample set of paper Call Report forms for the next quarter: Yes [X] (RCON 9117)
 FAX: Area code/phone number (TEXT 9116)

Legal Title of Bank: Chase Bank of Texas, N.A.
 Address: P.O. Box 2558
 City, State Zip: Houston, TX 77252-2558
 FDIC Certificate No.: |0|3|2|6|3|

Call Date: 3/31/98 ST-BK: 48-3926 FFIEC 031
 Page RC-21
 Printed 5/11/98 at 10:06

SCHEDULE RC-0--OTHER DATA FOR DEPOSIT INSURANCE AND FICO ASSESSMENTS

| C475 | < -

Dollar Amounts in Thousands

| RCON Bil Mil Thou |

	RCON	Bil	Mil	Thou	
1. Unposted debits (see instructions):	////				
a. Actual amount of all unposted debits	0030			N/A	1.a.
OR	////				
b. Separate amount of unposted debits:	////				
(1) Actual amount of unposted debits to demand deposits	0031			0	1.b.(1)
(2) Actual amount of unposted debits to time and savings deposits(1)	0032			0	1.b.(2)
2. Unposted credits (see instructions):	////				
a. Actual amount of all unposted credits	3510			N/A	2.a.
OR	////				
b. Separate amount of unposted credits:	////				
(1) Actual amount of unposted credits to demand deposits	3512			0	2.b.(1)
(2) Actual amount of unposted credits to time and savings deposits(1)	3514			0	2.b.(2)
3. Uninvested trust funds (cash) held in bank's own trust department (not included in total deposits in domestic offices)	3520		20,915		3.
4. Deposits of consolidated subsidiaries in domestic offices and in insured branches in Puerto Rico and U.S. territories and possessions (not included in total deposits):	////				
a. Demand deposits of consolidated subsidiaries	2211		3,050		4.a.
b. Time and savings deposits(1) of consolidated subsidiaries	2351		17		4.b.
c. Interest accrued and unpaid on deposits of consolidated subsidiaries	5514		0		4.c.
5. Deposits in insured branches in Puerto Rico and U.S. territories and possessions:	////				
a. Demand deposits in insured branches (included in Schedule RC-E, Part II)	2229		0		5.a.
b. Time and savings deposits(1) in insured branches (included in Schedule RC-E, Part II)	2383		0		5.b.
c. Interest accrued and unpaid on deposits in insured branches (included in Schedule RC-G, item 1.b)	5515		0		5.c.
6. Reserve balances actually passed through to the Federal Reserve by the reporting bank on behalf of its respondent depository institutions that are also reflected as deposit liabilities of the reporting bank:	////				
a. Amount reflected in demand deposits (included in Schedule RC-E, Part I, item 4 or 5, column B)	2314		0		6.a.
b. Amount reflected in time and savings deposits(1) (included in Schedule RC-E, Part I, item 4 or 5, column A or C, but not column B)	2315		0		6.b.
7. Unamortized premiums and discounts on time and savings deposits:(1),(2)	////				
a. Unamortized premiums	5516		213		7.a.
b. Unamortized discounts	5517		0		7.b.
8. To be completed by banks with "Oakar deposits."	////				
a. Deposits purchased or acquired from other FDIC-insured institutions during the quarter (exclude deposits purchased or acquired from foreign offices other than insured branches in Puerto Rico and U.S. territories and possessions):	////				
(1) Total deposits purchased or acquired from other FDIC-insured institutions during the quarter	A531			N/A	8.a.(1)
(2) Amount of purchased or acquired deposits reported in item 8.a.(1) above attributable to a secondary fund (i.e., BIF members report deposits attributable to SAIF; SAIF members report deposits attributable to BIF)	A532			N/A	8.a.(2)
b. Total deposits sold or transferred to other FIDC-insured institutions during the quarter (exclude sales or transfers by the reporting bank of deposits in foreign offices other than insured branches in Puerto Rico and U.S. territories and possessions)	A533			N/A	8.b.

(1) For FDIC insurance and FICO assessment purposes, "time and savings deposits" consists of nontransaction accounts and all transaction accounts other than demand deposits.
 (2) Exclude core deposit intangibles.

Legal Title of Bank: Chase Bank of Texas, N.A.
 Address: P.O. Box 2558
 City, State Zip: Houston, TX 77252-2558
 FDIC Certificate No.: |0|3|2|6|3|

Call Date: 3/31/98 ST-BK: 48-3926 FFIEC 031
 Page RC-22
 Printed 5/11/98 at 10:06

SCHEDULE RC-0--CONTINUED

	Dollar Amounts in Thousands	RCON	Bil	Mil	Thou	
9. Deposits in lifeline accounts	5596	//////////				9.
10. Benefit-responsive "Depository Institution Investment Contracts" (included in total deposits in domestic offices)	8432	//////////	0			10.
11. Adjustments to demand deposits in domestic offices and in insured branches in Puerto Rico and U.S. territories and possessions reported in Schedule RC-E for certain reciprocal demand balances:		//////////				
a. Amount by which demand deposits would be reduced if the reporting bank's reciprocal demand balances with the domestic offices of U.S. banks and savings associations and insured branches in Puerto Rico and U.S. territories and possessions that were reported on a gross basis in Schedule RC-E had been reported on a net basis	8785	//////////	0			11.a.
b. Amount by which demand deposits would be increased if the reporting bank's reciprocal demand balances with foreign banks and foreign offices of other U.S. banks (other than insured branches in Puerto Rico and U.S. territories and possessions) that were reported on a net basis in Schedule RC-E had been reported on a gross basis	A181	//////////	0			11.b.
c. Amount by which demand deposits would be reduced if cash items in process of collection were included in the calculation of the reporting bank's net reciprocal demand balances with the domestic offices of U.S. banks and savings associations and insured branches in Puerto Rico and U.S. territories and possessions in Schedule RC-E	A182	//////////	0			11.c.
12. Amount of assets netted against deposit liabilities in domestic offices and in insured branches in Puerto Rico and U.S. territories and possessions on the balance sheet (Schedule RC) in accordance with generally accepted accounting principles (exclude amounts related to reciprocal demand balances):		//////////				
a. Amount of assets netted against demand deposits	A527	//////////	0			12.a.
b. Amount of assets netted against time and savings deposits	A528	//////////	0			12.b.

Memoranda (to be completed each quarter except as noted)

	Dollar Amounts in Thousands	RCON	Bil	Mil	Thou	
1. Total deposits in domestic offices of the bank (sum of Memorandum items 1.a.(1) and 1.b.(1) must equal Schedule RC, item 13.a):		//////////				
a. Deposit accounts of \$100,000 or less:		//////////				
(1) Amount of deposit accounts of \$100,000 or less	2702	//////////	8,407,885			M.1.a.(1)
(2) Number of deposit accounts of \$100,000 or less (to be completed for the June report only).....	RCON 3779	N/A				M.1.a.(2)
b. Deposit accounts of more than \$100,000:		//////////				
(1) Amount of deposit accounts of more than \$100,000	2710	//////////	9,464,151			M.1.b.(1)
(2) Number of deposit accounts of more than \$100,000	RCON 2722	0,039				M.1.b.(2)
2. Estimated amount of uninsured deposits in domestic offices of the bank:						
a. An estimate of your bank's uninsured deposits can be determined by multiplying the number of deposit accounts of more than \$100,000 reported in Memorandum item 1.b.(2) above by \$100,000 and subtracting the result from the amount of deposit accounts of more than \$100,000 reported in Memorandum item 1.b.(1) above.						
Indicate in the appropriate box at the right whether your bank has a method or procedure for determining a better estimate of uninsured deposits than the estimate described above	6861		///	X		M.2.a.
b. If the box marked YES has been checked, report the estimate of uninsured deposits determined by using your bank's method or procedure	5597		N/A			M.2.b.
3. Has the reporting institution been consolidated with a parent bank or savings association in that parent bank's or parent savings association's Call Report or Thrift Financial Report? If so, report the legal title and FDIC Certificate Number of the parent bank or parent savings association:						
TEXT A545 N/A		RCON A545	N/A			M.3.

Legal Title of Bank: Chase Bank of Texas, N.A.
 Address: P.O. Box 2558
 City, State Zip: Houston, TX 77252-2558
 FDIC Certificate No.: |0|3|2|6|3|

Call Date: 3/31/98 ST-BK: 48-3926 FFIEC 031
 Page RC-23
 Printed 5/11/98 at 10:06

SCHEDULE RC-R--REGULATORY CAPITAL

This schedule must be completed by all banks as follows: Banks that reported total assets of \$1 billion or more in Schedule RC, item 12, for June 30, 1997, must complete items 2 through 9 and Memoranda items 1 and 2. Banks with assets of less than \$1 billion must complete items 1 through 3 below or Schedule RC-R in its entirety, depending on their response to item 1 below.

1. Test for determining the extent to which Schedule RC-R must be completed. To be completed only by banks with total assets of less than \$1 billion. Indicate in the appropriate box at the right whether the bank has total capital greater than or equal to eight percent of adjusted total assets	C480 < -
	YES NO
	RCFD 6056 //// 1.

For purposes of this test, adjusted total assets equals total assets less cash, U.S. Treasuries, U.S. Government agency obligations, and 80 percent of U.S. Government-sponsored agency obligations plus the allowance for loan and lease losses and selected off-balance sheet items as reported on Schedule RC-L (see instructions).

If the box marked YES has been checked, then the bank only has to complete items 2 and 3 below. If the box marked NO has been checked, the bank must complete the remainder of this schedule.

A NO response to item 1 does not necessarily mean that the bank's actual risk-based capital ratio is less than eight percent or that the bank is not in compliance with the risk-based capital guidelines.

NOTE: All banks are required to complete items 2 and 3 below.
 See optional worksheet for items 3.a through 3.f.

	Dollar Amounts in Thousands	RCFD	Bil Mil Thou	
2. Portion of qualifying limited-life capital instruments (original weighted average maturity of at least five years) that is includible in Tier 2 capital:				
a. Subordinated debt(1) and intermediate term preferred stock		A515	345,000	2.a.
b. Other limited-life capital instruments		A516	0	2.b.
3. Amounts used in calculating regulatory capital ratios (report amounts determined by the bank for its own internal regulatory capital analyses consistent with applicable capital standards):				
a. (1) Tier 1 capital		8274	1,498,675	3.a.(1)
(2) Tier 2 capital		8275	551,129	3.a.(2)
(3) Tier 3 capital		1395	0	3.a.(3)
b. Total risk-based capital		3792	2,049,804	3.b.
c. Excess allowance for loan and lease losses (amount that exceeds 1.25% of gross risk-weighted assets)		A222	0	3.c.
d. (1) Net risk-weighted assets (gross risk-weighted assets less excess allowance reported in item 3.c above and all other deductions)		A223	18,629,373	3.d.(1)
(2) Market risk equivalent assets		1651	0	3.d.(2)
e. Maximum contractual dollar amount of recourse exposure in low level recourse transactions (to be completed only if the bank uses the "direct reduction method" to report these transactions in Schedule RC-R)		1727	0	3.e.
f. "Average total assets" (quarterly average reported in Schedule RC-K, item 9, less all assets deducted from Tier 1 capital)(2)		A224	21,920,335	3.f.

Items 4-9 and Memoranda items 1 and 2 are to be completed by banks that answered NO to item 1 above and by banks with total assets of \$1 billion or more.

	(Column A) Assets Recorded on the Balance Sheet	(Column B) Credit Equiv- alent Amount of Off-Balance Sheet Items(3)	
4. Assets and credit equivalent amounts of off-balance sheet items assigned to the Zero percent risk category:			
a. Assets recorded on the balance sheet	5163	3,168,190	4.a.
b. Credit equivalent amount of off-balance sheet items	3796	20,890	4.b.

(1) Exclude mandatory convertible debt reported in Schedule RC-M, item 7.
 (2) Do not deduct excess allowance for loan and lease losses.
 (3) Do not report in column B the risk-weighted amount of assets reported in column A.

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 Address: P.O. Box 2558
 City, State Zip: Houston, TX 77252-2558
 FDIC Certificate No.: |0|3|2|6|3|

Call Date: 3/31/98 ST-BK: 48-3926 FFIEC 031
 Page RC-24
 Printed 5/11/98 at 10:06

SCHEDULE RC-R--CONTINUED

	(Column A) Assets Recorded on the Balance Sheet		(Column B) Credit Equiv- alent Amount of Off-Balance Sheet Items(1)		
	RCFD	Bil Mil Thou	RCFD	Bil Mil Thou	
Dollar Amounts in Thousands					
5. Assets and credit equivalent amounts of off-balance sheet items assigned to the 20 percent risk category:					
a. Assets recorded on the balance sheet	5165	6,938,205			5.a.
b. Credit equivalent amount of off-balance sheet items			3801	250,183	5.b.
6. Assets and credit equivalent amounts of off-balance sheet items assigned to the 50 percent risk category:					
a. Assets recorded on the balance sheet	3802	859,372			6.a.
b. Credit equivalent amount of off-balance sheet items			3803	145,025	6.b.
7. Assets and credit equivalent amounts of off-balance sheet items assigned to the 100 percent risk category:					
a. Assets recorded on the balance sheet	3804	12,671,249			7.a.
b. Credit equivalent amount of off-balance sheet items			3805	4,018,246	7.b.
8. On-balance sheet asset values excluded from and deducted in the calculation of the risk-based capital ratio(2)	3806	501,441			8.
9. Total assets recorded on the balance sheet (sum of items 4.a, 5.a, 6.a, 7.a, and 8, column A)(must equal Schedule RC, item 12 plus items 4.b and 4.c)	3807	24,138,457			9.

Memoranda

	Dollar Amounts in Thousands		
	RCFD	Bil Mil Thou	
1. Current credit exposure across all off-balance sheet derivative contracts covered by the risk-based capital standards	8764	63,050	M.1.

	With a remaining maturity of						
	(Column A) One year or less		(Column B) Over one year through five years		(Column C) Over five years		
	RCFD	Tril Bil Mil Thou	RCFD	Tril Bil Mil Thou	RCFD	Tril Bil Mil Thou	
2. Notional principal amounts of off-balance sheet derivative contracts(3):							
a. Interest rate contracts	3809	3,164,685	8766	5,623,255	8767	428,812	M.2.a.
b. Foreign exchange contracts	3812	814,868	8769	111,128	8770	63,847	M.2.b.
c. Gold contracts	8771	0	8772	0	8773	0	M.2.c.
d. Other precious metals contracts	8774	0	8775	0	8776	0	M.2.d.
e. Other commodity contracts	8777	0	8778	0	8779	0	M.2.e.
f. Equity derivative contracts	A000	7,437	A001	291,655	A002	0	M.2.f.

- (1) Do not report in column B the risk-weighted amount of assets reported in column A.
- (2) Include the difference between the fair value and the amortized cost of available-for-sale debt securities in item 8 and report the amortized cost of these debt securities in items 4 through 7 above. For available-for-sale equity securities, if fair value exceeds cost, include the difference between the fair value and the cost in item 8 and report the cost of these equity securities in items 5 through 7 above; if cost exceeds fair value, report the fair value of these equity securities in items 5 through 7 above and include no amount in item 8. Item 8 also includes on-balance sheet asset values (or portions thereof) of off-balance sheet interest rate, foreign exchange rate, and commodity contracts and those contracts (e.g., futures contracts) not subject to risk-based capital. Exclude from item 8 margin accounts and accrued receivables not included in the calculation of credit equivalent amounts of off-balance sheet derivatives as well as any portion of the allowance for loan and lease losses in excess of the amount that may be included in Tier 2 capital.
- (3) Exclude foreign exchange contracts with an original maturity of 14 days or less and all futures contracts.

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 FDIC Certificate No.: |0|3|2|6|3|

Call Date: 3/31/98 ST-BK: 48-3926 FFIEC 031
 Page RC-25
 Printed 5/11/98 at 10:06

OPTIONAL NARRATIVE STATEMENT CONCERNING THE AMOUNTS
 REPORTED IN THE REPORTS OF CONDITION AND INCOME
 AT CLOSE OF BUSINESS ON MARCH 31, 1998

Chase Bank of Texas, N.A.

Houston

Texas

Legal Title of Bank

City

State

The management of the reporting bank may, if it wishes, submit a brief narrative statement on the amounts reported in the Reports of Condition and Income. This optional statement will be made available to the public, along with the publicly available data in the Reports of Condition and Income, in response to any request for individual bank report data. However, the information reported in column A and in all of Memorandum item 1 of Schedule RC-N is regarded as confidential and will not be released to the public. BANKS CHOOSING TO SUBMIT THE NARRATIVE STATEMENT SHOULD ENSURE THAT THE STATEMENT DOES NOT CONTAIN THE NAMES OR OTHER IDENTIFICATIONS OF INDIVIDUAL BANK CUSTOMERS, REFERENCES TO THE AMOUNTS REPORTED IN THE CONFIDENTIAL ITEMS IN SCHEDULE RC-N, OR ANY OTHER INFORMATION THAT THEY ARE NOT WILLING TO HAVE MADE PUBLIC OR THAT WOULD COMPROMISE THE PRIVACY OF THEIR CUSTOMERS. Banks choosing not to make a statement may check the "No comment" box below and should make no entries of any kind in the space provided for the narrative statement; i.e., DO NOT enter in this space such phrases as "No statement," "Not applicable," "N/A," "No comment," and "None."

both on agency computerized records and in computer-file releases to the public.

All information furnished by the bank in the narrative statement must be accurate and not misleading. Appropriate efforts shall be taken by the submitting bank to ensure the statement's accuracy. The statement must be signed, in the space provided below, by a senior officer of the bank who thereby attests to its accuracy.

If, subsequent to the original submission, material changes are submitted for the data reported in the Reports of Condition and Income, the existing narrative statement will be deleted from the files, and from disclosure; the bank, at its option, may replace it with a statement, under signature, appropriate to the amended data.

The optional narrative statement will appear in agency records and in release to the public exactly as submitted (or amended as described in the preceding paragraph) by the management of the bank (except for the truncation of statements exceeding the 750-character limit described above). THE STATEMENT WILL NOT BE EDITED OR SCREENED IN ANY WAY BY THE SUPERVISORY AGENCIES FOR ACCURACY OR RELEVANCE. DISCLOSURE OF THE STATEMENT SHALL NOT SIGNIFY THAT ANY FEDERAL SUPERVISORY AGENCY HAS VERIFIED OR CONFIRMED THE ACCURACY OF THE INFORMATION CONTAINED THEREIN. A STATEMENT TO THIS EFFECT WILL APPEAR ON ANY PUBLIC RELEASE OF THE OPTIONAL STATEMENT SUBMITTED BY THE MANAGEMENT OF THE REPORTING BANK.

The optional statement must be entered on this sheet. The statement should not exceed 100 words. Further, regardless of the number of words, the statement must not exceed 750 characters, including punctuation, indentation, and standard spacing between words and sentences. If any submission should exceed 750 characters, as defined, it will be truncated at 750 characters with no notice to the submitting bank and the truncated statement will appear as the bank's statement

No comment | | (RCON 6979)

| C471 | C472 | < -

BANK MANAGEMENT STATEMENT (please type or print clearly):
 (TEXT 6980)

 Signature of Executive Officer of Bank

 Date of Signature

Legal Title of Bank: Chase Bank of Texas, N.A.
 Address: P.O. Box 2558
 City, State Zip: Houston, TX 77252-2558
 FDIC Certificate No.: |0|3|2|6|3|

Call Date: 3/31/98 ST-BK: 48-3926

THIS PAGE IS TO BE COMPLETED BY ALL BANKS

NAME AND ADDRESS OF BANK

OMB No. For OCC: 1557-0081
 OMB No. For FDIC: 3064-0052
 OMB No. For Federal Reserve: 7100-0036
 Expiration Date: 3/31/2000

SPECIAL REPORT
 (Dollar Amounts in Thousands)

CLOSE OF BUSINESS DATE	3/31/98	FDIC Certificate Number	0 3 2 6 3	C-700	< -
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LOANS TO EXECUTIVE OFFICERS (Complete as of each Call Report Date)

The following information is required by Public Laws 90-44 and 102-242, but does not constitute a part of the Report of Condition. With each Report of Condition, these Laws require all banks to furnish a report of all loans or other extensions of credit to their executive officers made since the date of the previous Report of Condition. Data regarding individual loans or other extensions of credit are not required. If no such loans or other extensions of credit were made during the period, insert "none" against subitem (a). (Exclude the first \$15,000 of indebtedness of each executive officer under bank credit card plan.) See Sections 215.2 and 215.3 of Title 12 of the Code of Federal Regulations (Federal Reserve Board Regulation O) for the definitions of "executive officer" and "extension of credit," respectively. Exclude loans and other extensions of credit to directors and principal shareholders who are not executive officers.

a. Number of loans made to executive officers since the previous Call Report date	RCFD 3561	0	a.
b. Total dollar amount of above loans (in thousands of dollars)	RCFD 3562	0	b.
c. Range of interest charged on above loans (example: 9 3/4% = 9.75)	RCFD 7701	0.00 % to RCFD 7702	0.00 % c.

SIGNATURE AND TITLE OF OFFICER AUTHORIZED TO SIGN REPORT

DATE (Month, Day, Year)

FDIC 8040/53 (3-98)

Legal Title of Bank: Chase Bank of Texas, N.A.
 Address: P.O. Box 2558
 City, State Zip: Houston, TX 77252-2558
 FDIC Certificate No.: |0|3|2|6|3|

Call Date: 3/31/98 ST-BK: 48-3926 FFIEC 031
 Page RI-1
 Printed 5/11/98 at 10:06

CONSOLIDATED REPORT OF INCOME
 FOR THE PERIOD JANUARY 1, 1998-MARCH 31, 1998

All Report of Income schedules are to be reported on a calendar year-to-date basis in thousands of dollars.

SCHEDULE RI--INCOME STATEMENT

	I 480		< -
Dollar Amounts in Thousands	RIAD	Bil Mil Thou	
1. Interest income:	//////////		
a. Interest and fee income on loans:	//////////		
(1) In domestic offices:	//////////		
(a) Loans secured by real estate	4011	57,428	1.a.(1)(a)
(b) Loans to depository institutions	4019	307	1.a.(1)(b)
(c) Loans to finance agricultural production and other loans to farmers	4024	810	1.a.(1)(c)
(d) Commercial and industrial loans	4012	105,368	1.a.(1)(d)
(e) Acceptances of other banks	4026	0	1.a.(1)(e)
(f) Loans to individuals for household, family, and other personal expenditures:	//////////		
(1) Credit cards and related plans	4054	4,321	1.a.(1)(f)(1)
(2) Other	4055	53,813	1.a.(1)(f)(2)
(g) Loans to foreign governments and official institutions	4056	35	1.a.(1)(g)
(h) Obligations (other than securities and leases) of states and political subdivisions in the U.S.:	//////////		
(1) Taxable obligations	4503	0	1.a.(1)(h)(1)
(2) Tax-exempt obligations	4504	116	1.a.(1)(h)(2)
(i) All other loans in domestic offices	4058	25,384	1.a.(1)(i)
(2) In foreign offices, Edge and Agreement subsidiaries, and IBFs	4059	2,295	1.a.(2)
b. Income from lease financing receivables:	//////////		
(1) Taxable leases	4505	2,564	1.b.(1)
(2) Tax-exempt leases	4307	0	1.b.(2)
c. Interest income on balances due from depository institutions:(1)	//////////		
(1) In domestic offices	4105	0	1.c.(1)
(2) In foreign offices, Edge and Agreement subsidiaries, and IBFs	4106	0	1.c.(2)
d. Interest and dividend income on securities:	//////////		
(1) U.S. Treasury securities and U.S. Government agency obligations	4027	88,780	1.d.(1)
(2) Securities issued by states and political subdivisions in the U.S.:	//////////		
(a) Taxable securities	4506	1	1.d.(2)(a)
(b) Tax-exempt securities	4507	3	1.d.(2)(b)
(3) Other domestic debt securities	3657	37	1.d.(3)
(4) Foreign debt securities	3658	59	1.d.(4)
(5) Equity securities (including investments in mutual funds)	3659	692	1.d.(5)
e. Interest income from trading assets	4069	13	1.e.

(1) Includes interest income on time certificates of deposit not held for trading.

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 FDIC Certificate No.: |0|3|6|2|3|

Call Date: 3/31/98 ST-BK: 48-3926 FFIEC 031
 Page RI-2
 Printed 5/11/98 at 10:06

SCHEDULE RI--CONTINUED

	Dollar Amounts in Thousands		Year-to-date		
	RIAD	Bil Mil Thou			
1. Interest income (continued)					
f. Interest income on federal funds sold and securities purchased under agreements to resell	4020	8,003			1.f.
g. Total interest income (sum of items 1.a through 1.f)	4107	350,029			1.g.
2. Interest expense:					
a. Interest on deposits:					
(1) Interest on deposits in domestic offices:					
(a) Transaction accounts (NOW accounts, ATS accounts, and telephone and preauthorized transfer accounts)	4508	1,193			2.a.(1)(a)
(b) Nontransaction accounts:					
(1) Money market deposit accounts (MMDAs)	4509	10,258			2.a.(1)(b)(1)
(2) Other savings deposits	4511	29,425			2.a.(1)(b)(2)
(3) Time deposits of \$100,000 or more	A517	12,432			2.a.(1)(b)(3)
(4) Time deposits of less than \$100,000	A518	30,453			2.a.(1)(b)(4)
(2) Interest on deposits in foreign offices, Edge and Agreement subsidiaries, and IBFs	4172	11,279			2.a.(2)
b. Expense of federal funds purchased and securities sold under agreements to repurchase	4180	23,809			2.b.
c. Interest on demand notes issued to the U.S. Treasury, trading liabilities, and other borrowed money	4185	8,041			2.c.
d. Not applicable					
e. Interest on subordinated notes and debentures	4200	5,606			2.e.
f. Total interest expense (sum of items 2.a through 2.e)	4073	132,496			2.f.
3. Net interest income (item 1.g minus 2.f)			RIAD 4074	217,533	3.
4. Provisions:					
a. Provision for credit losses			RIAD 4230	0	4.a.
b. Provision for allocated transfer risk			RIAD 4243	0	4.b.
5. Noninterest income:					
a. Income from fiduciary activities	4070	35,981			5.a.
b. Service charges on deposit accounts in domestic offices	4080	37,042			5.b.
c. Trading revenue (must equal Schedule RI, sum of Memorandum items 8.a through 8.d)	A220	5,338			5.c.
d-e. Not applicable					
f. Other noninterest income:					
(1) Other fee income	5407	23,346			5.f.(1)
(2) All other noninterest income*	5408	26,042			5.f.(2)
g. Total noninterest income (sum of items 5.a through 5.f)			RIAD 4079	127,749	5.g.
6. a. Realized gains (losses) on held-to-maturity securities			RIAD 3521	0	6.a.
b. Realized gains (losses) on available-for-sale securities			RIAD 3196	7,217	6.b.
7. Noninterest expense:					
a. Salaries and employee benefits	4135	120,168			7.a.
b. Expenses of premises and fixed assets (net of rental income) (excluding salaries and employee benefits and mortgage interest)	4217	47,335			7.b.
c. Other noninterest expense*	4092	75,925			7.c.
d. Total noninterest expense (sum of items 7.a through 7.c)			RIAD 4093	243,428	7.d.
8. Income (loss) before income taxes and extraordinary items and other adjustments (item 3 plus or minus items 4.a, 4.b, 5.g, 6.a, 6.b, and 7.d)			RIAD 4301	109,071	8.
9. Applicable income taxes (on item 8)			RIAD 4302	38,250	9.
10. Income (loss) before extraordinary items and other adjustments (item 8 minus 9)			RIAD 4300	70,821	10.
11. Extraordinary items and other adjustments, net of income taxes*			RIAD 4320	0	11.
12. Net income (loss) (sum of items 10 and 11)			RIAD 4340	70,821	12.

*Describe on Schedule RI-E--Explanations.

Legal Title of Bank: Chase Bank of Texas, N.A.
 Address: P.O. Box 2558
 City, State Zip: Houston, TX 77252-2558
 FDIC Certificate No.: |0|3|2|6|3|

Call Date: 3/31/98 ST-BK: 48-3926 FFIEC 031
 Page RI-3
 Printed 5/11/98 at 10:06

SCHEDULE RI--CONTINUED

Memoranda	I 481		Year-to-date		< -
	RIAD	Bil	Mil	Thou	
Dollar Amounts in Thousands					
1. Interest expense incurred to carry tax-exempt securities, loans, and leases acquired after August 7, 1986, that is not deductible for federal income tax purposes	4513		2		M.1.
2. Income from the sale and servicing of mutual funds and annuities in domestic offices (included in Schedule RI, item 8)	8431		2,951		M.2.
3.-4. Not applicable					
5. Number of full-time equivalent employees at end of current period (round to nearest whole number)	4150		8,878		M.5.
6. Not applicable					
7. If the reporting bank has restated its balance sheet as a result of applying push down accounting this calendar year, report the date of the bank's acquisition(1)	RIAD 9106		CC YY MM DD 00 00 00 00		M.7.
8. Trading revenue (from cash instruments and off-balance sheet derivative instruments) (sum of Memorandum items 8.a through 8.d must equal Schedule RI, item 5.c):			Bil Mil Thou		
a. Interest rate exposures	8757		92		M.8.a.
b. Foreign exchange exposures	8758		5,246		M.8.b.
c. Equity security and index exposures	8759		0		M.8.c.
d. Commodity and other exposures	8760		0		M.8.d.
9. Impact on income of off-balance sheet derivatives held for purposes other than trading:					
a. Net increase (decrease) to interest income	8761		(85)		M.9.a.
b. Net (increase) decrease to interest expense	8762		(52)		M.9.b.
c. Other (noninterest) allocations	8763		0		M.9.c.
10. Credit losses on off-balance sheet derivatives (see instructions)	A251		0		M.10.
11. Does the reporting bank have a Subchapter S election in effect for federal income tax purposes for the current tax year?			YES NO		
	A530		/ X		M.11.
12. Deferred portion of total applicable income taxes included in Schedule RI, items 9 and 11 (to be reported with the December Report of Income)	4772		N/A		M.12.

(1) For example, a bank acquired on June 1, 1997, would report 19970601.

SCHEDULE RI-A--CHANGES IN EQUITY CAPITAL

Indicate decreases and losses in parentheses.

		I483		
		< -		
		Dollar Amounts in Thousands		
		RIAD	Bil Mil Thou	
1.	Total equity capital originally reported in the December 31, 1997, Reports of Condition and Income	3215	1,859,172	1.
2.	Equity capital adjustments from amended Reports of Income, net*	3216	0	2.
3.	Amended balance end of previous calendar year (sum of items 1 and 2)	3217	1,859,172	3.
4.	Net income (loss) (must equal Schedule RI, item 12)	4340	70,821	4.
5.	Sale, conversion, acquisition, or retirement of capital stock, net	4346	0	5.
6.	Changes incident to business combinations, net	4356	0	6.
7.	LESS: Cash dividends declared on preferred stock	4470	0	7.
8.	LESS: Cash dividends declared on common stock	4460	0	8.
9.	Cumulative effect of changes in accounting principles from prior years* (see instructions for this schedule)	4411	0	9.
10.	Corrections of material accounting errors from prior years* (see instructions for this schedule)	4412	0	10.
11.	Change in net unrealized holding gains (losses) on available-for-sale securities	8433	878	11.
12.	Foreign currency translation adjustments	4414	0	12.
13.	Other transactions with parent holding company* (not included in items 5, 7, or 8 above)	4415	0	13.
14.	Total equity capital end of current period (sum of items 3 through 13) (must equal Schedule RC, item 28)	3210	1,930,871	14.

*Describe on Schedule RI-E--Explanations.

SCHEDULE RI-B--CHARGE-OFFS AND RECOVERIES ON LOANS AND LEASES AND CHANGES IN ALLOWANCE FOR CREDIT LOSSES

PART I. CHARGE-OFFS AND RECOVERIES ON LOANS AND LEASES

Part I excludes charge-offs and recoveries through the allocated transfer risk reserve.

		I486			
		< -			
		(Column A) Charge-offs		(Column B) Recoveries	
		Calendar year-to-date			
		Dollar Amounts in Thousands			
		RIAD	Bil Mil Thou	RIAD	Bil Mil Thou
1.	Loans secured by real estate:	4651	2,008	4661	470
a.	To U.S. addressees (domicile)	4652	0	4662	0
b.	To non-U.S. addressees (domicile)	4653	0	4663	2
2.	Loans to depository institutions and acceptances of other banks:	4654	0	4664	0
a.	To U.S. banks and other U.S. depository institutions	4655	0	4665	1
b.	To foreign banks	4656	384	4666	23
3.	Loans to finance agricultural production and other loans to farmers	4657	16,964	4667	2,923
4.	Commercial and industrial loans:	4643	0	4627	9
a.	To U.S. addressees (domicile)	4644	33	4628	277
b.	To non-U.S. addressees (domicile)	4645	2,804	4617	1,086
5.	Loans to individuals for household, family, and other personal expenditures:	4646	0	4618	0
a.	Credit cards and related plans	4658	0	4668	0
b.	Other (includes single payment, installment, and all student loans) ..	4659	0	4669	0
6.	Loans to foreign governments and official institutions	4643	0	4627	9
7.	All other loans	4644	33	4628	277
8.	Lease financing receivables:	4658	0	4668	0
a.	Of U.S. addressees (domicile)	4659	0	4669	0
b.	Of non-U.S. addressees (domicile)	4643	0	4627	9
9.	Total (sum of items 1 through 8)	4635	22,193	4605	4,791

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 City, State Zip: Houston, TX 77252-2558
 FDIC Certificate No.: |0|3|2|6|3|

Call Date: 3/31/98 ST-BK: 48-3926 FFIEC 031
 Page RI-5
 Printed 5/11/98 at 10:06

SCHEDULE RI-B--CONTINUED

PART I. CONTINUED

Memoranda	(Column A)		(Column B)		
	Charge-offs		Recoveries		
	Calendar year-to-date				
Dollar Amounts in Thousands	RIAD	Bil Mil Thou	RIAD	Bil Mil Thou	
1-3. Not applicable	////	////	////	////	
4. Loans to finance commercial real estate, construction, and land development activities (not secured by real estate) included in Schedule RI-B, part I, items 4 and 7, above	5409	0	5410	24	M.4.
5. Loans secured by real estate in domestic offices (included in Schedule RI-B, part I, item 1, above):					
a. Construction and land development	3582	0	3583	27	M.5.a.
b. Secured by farmland	3584	0	3585	0	M.5.b.
c. Secured by 1-4 family residential properties:					
(1) Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit	5411	0	5412	0	M.5.c.(1)
(2) All other loans secured by 1-4 family residential properties	5413	1,500	5414	174	M.5.c.(2)
d. Secured by multifamily (5 or more) residential properties	3588	0	3589	5	M.5.d.
e. Secured by nonfarm nonresidential properties	3590	508	3591	264	M.5.e.

PART II. CHANGES IN ALLOWANCE FOR CREDIT LOSSES

Dollar Amounts in Thousands	RIAD	Bil Mil Thou	
1. Balance originally reported in the December 31, 1997, Reports of Condition and Income	3124	223,531	1.
2. Recoveries (must equal or exceed part I, item 9, column B above)	2419	4,791	2.
3. LESS: Charge-offs (must equal or exceed part I, item 9, column A above)	2432	22,193	3.
4. Provision for credit losses (must equal Schedule RI, item 4.a)	4230	0	4.
5. Adjustments* (see instructions for this schedule)	4815	0	5.
6. Balance end of current period (sum of items 1 through 5) (must equal or exceed Schedule RC, item 4.b)	A512	206,129	6.

*Describe on Schedule RI-E--Explanations.

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 FDIC Certificate No.: |0|3|2|6|3|

Call Date: 3/31/98 ST-BK: 48-3926 FFIEC 031
 Page RI-6
 Printed 5/11/98 at 10:06

SCHEDULE RI-D--INCOME FROM INTERNATIONAL OPERATIONS

For all banks with foreign offices, Edge or Agreement subsidiaries, or IBFs where international operations account for more than 10 percent of total revenues, total assets, or net income.

PART I. ESTIMATED INCOME FROM INTERNATIONAL OPERATIONS

	I 492			< -
	Year-to-date			
Dollar Amounts in Thousands	RIAD	Bil	Mil	Thou
1. Interest income and expense booked at foreign offices, Edge and Agreement subsidiaries, and IBFs:	////			
a. Interest income booked	4837	N/A		1.a.
b. Interest expense booked	4838	N/A		1.b.
c. Net interest income booked at foreign offices, Edge and Agreement subsidiaries, and IBFs (item 1.a minus 1.b)	4839	N/A		1.c.
2. Adjustments for booking location of international operations:	////			
a. Net interest income attributable to international operations booked at domestic offices	4840	N/A		2.a.
b. Net interest income attributable to domestic business booked at foreign offices	4841	N/A		2.b.
c. Net booking location adjustment (item 2.a minus 2.b)	4842	N/A		2.c.
3. Noninterest income and expense attributable to international operations:	////			
a. Noninterest income attributable to international operations	4097	N/A		3.a.
b. Provision for loan and lease losses attributable to international operations	4235	N/A		3.b.
c. Other noninterest expense attributable to international operations	4239	N/A		3.c.
d. Net noninterest income (expense) attributable to international operations (item 3.a minus 3.b and 3.c)	4843	N/A		3.d.
4. Estimated pretax income attributable to international operations before capital allocation adjustment (sum of items 1.c, 2.c, and 3.d)	4844	N/A		4.
5. Adjustment to pretax income for internal allocations to international operations to reflect the effects of equity capital on overall bank funding costs	4845	N/A		5.
6. Estimated pretax income attributable to international operations after capital allocation adjustment (sum of items 4 and 5)	4846	N/A		6.
7. Income taxes attributable to income from international operations as estimated in item 6	4797	N/A		7.
8. Estimated net income attributable to international operations (item 6 minus 7)	4341	N/A		8.

Memoranda

Dollar Amounts in Thousands	RIAD	Bil	Mil	Thou
1. Intracompany interest income included in item 1.a above	4847	N/A		M.1.
2. Intracompany interest expense included in item 1.b above	4848	N/A		M.2.

PART II. SUPPLEMENTARY DETAILS ON INCOME FROM INTERNATIONAL OPERATIONS REQUIRED BY THE DEPARTMENTS OF COMMERCE AND TREASURY FOR PURPOSES OF THE U.S. INTERNATIONAL ACCOUNTS AND THE U.S. NATIONAL INCOME AND PRODUCT ACCOUNTS

	Year-to-date			
	RIAD	Bil	Mil	Thou
Dollar Amounts in Thousands	RIAD	Bil	Mil	Thou
1. Interest income booked at IBFs	4849	N/A		1.
2. Interest expense booked at IBFs	4850	N/A		2.
3. Noninterest income attributable to international operations booked at domestic offices (excluding IBFs):	////			
a. Gains (losses) and extraordinary items	5491	N/A		3.a.
b. Fees and other noninterest income	5492	N/A		3.b.
4. Provision for loan and lease losses attributable to international operations booked at domestic offices (excluding IBFs)	4852	N/A		4.
5. Other noninterest expense attributable to international operations booked at domestic offices (excluding IBFs)	4853	N/A		5.

SCHEDULE RI-E--EXPLANATIONS

Schedule RI-E is to be completed each quarter on a calendar year-to-date basis.

Detail all adjustments in Schedule RI-A and RI-B, all extraordinary items and other adjustments in Schedule RI, and all significant items of other noninterest income and other noninterest expense in Schedule RI. (See instructions for details.)

	I495		< -
	Year-to-date		
	RIAD	Bil Mil Thou	
Dollar Amounts in Thousands			
1. All other noninterest income (from Schedule RI, item 5.f.(2))	//////////		
Report amounts that exceed 10% of Schedule RI, item 5.f.(2):	//////////		
a. Net gains (losses) on other real estate owned	5415	0	1.a.
b. Net gains (losses) on sales of loans	5416	720	1.b.
c. Net gains (losses) on sales of premises and fixed assets	5417	0	1.c.
Itemize and describe the three largest other amounts that exceed 10% of Schedule RI, item 5.f.(2):	//////////		
d. TEXT 4461 INTERBANK CONTRACT SERVICES	4461	19,982	1.d.
e. TEXT 4462	4462		1.e.
f. TEXT 4463	4463		1.f.
2. Other noninterest expense (from Schedule RI, item 7.c):	//////////		
a. Amortization expense of intangible assets	4531	10,015	2.a.
Report amounts that exceed 10% of Schedule RI, item 7.c:	//////////		
b. Net (gains) losses on other real estate owned	5418	0	2.b.
c. Net (gains) losses on sales of loans	5419	0	2.c.
d. Net (gains) losses on sales of premises and fixed assets	5420	0	2.d.
Itemize and describe the three largest other amounts that exceed 10% of Schedule RI, item 7.c:	//////////		
e. TEXT 4464 BUSINESS EFFECTIVENESS - RESTRUCTURING CHARGE	4464	14,300	2.e.
f. TEXT 4467	4467		2.f.
g. TEXT 4468	4468		2.g.
3. Extraordinary items and other adjustments and applicable income tax effect (from Schedule RI, item 11) (itemize and describe all extraordinary items and other adjustments):	//////////		
a. (1) TEXT 4469	4469		3.a.(1)
(2) Applicable income tax effect RIAD 4486	//////////		3.a.(2)
b. (1) TEXT 4487	4487		3.b.(1)
(2) Applicable income tax effect RIAD 4488	//////////		3.b.(2)
c. (1) TEXT 4489	4489		3.c.(1)
(2) Applicable income tax effect RIAD 4491	//////////		3.c.(2)
4. Equity capital adjustments from amended Reports of Income (from Schedule RI-A, item 2) (itemize and describe all adjustments):	//////////		
a. TEXT 4492	4492		4.a.
b. TEXT 4493	4493		4.b.
5. Cumulative effect of changes in accounting principles from prior years (from Schedule RI-A, item 9) (itemize and describe all changes in accounting principles):	//////////		
a. TEXT 4494	4494		5.a.
b. TEXT 4495	4495		5.b.
6. Corrections of material accounting errors from prior years (from Schedule RI-A, item 10) (itemize and describe all corrections):	//////////		
a. TEXT 4496	4496		6.a.
b. TEXT 4497	4497		6.b.

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 FDIC Certificate No.: |0|3|2|6|3|

Call Date: 3/31/98 ST-BK: 48-3926 FFIEC 031
 Page RI-8
 Printed 5/11/98 at 10:06

SCHEDULE RI-E--CONTINUED

	Year-to-date		
	RIAD	Bil Mil Thou	
Dollar Amounts in Thousands			
7. Other transactions with parent holding company (from Schedule RI-A, item 13) (itemize and describe all such transactions):	//////////		
a. TEXT 4498	4498		7.a.
b. TEXT 4499	4499		7.b.
8. Adjustments to allowance for credit losses (from Schedule RI-B, part II, item 5) (itemize and describe all adjustments):	//////////		
a. TEXT 4521	4521		8.a.
b. TEXT 4522	4522		8.b.
9. Other explanations (the space below is provided for the bank to briefly describe, at its option, any other significant items affecting the Report of Income):	I498	I499	< -
No comment (RIAD 4769)			
Other explanations (please type or print clearly): (TEXT 4769)			

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM T-1

STATEMENT OF ELIGIBILITY UNDER THE
TRUST INDENTURE ACT OF 1939
OF A CORPORATION DESIGNATED TO ACT AS TRUSTEE

CHECK IF AN APPLICATION TO DETERMINE ELIGIBILITY
OF A TRUSTEE PURSUANT TO SECTION 305(b)(2) ____

CHASE BANK OF TEXAS, NATIONAL ASSOCIATION
(Exact name of trustee as specified in its charter)

74-0800980
(I.R.S. Employer Identification Number)

712 MAIN STREET, HOUSTON, TEXAS
(Address of principal executive offices)

77002
(Zip code)

LEE BOOCKER, 712 MAIN STREET, 26TH FLOOR
HOUSTON, TEXAS 77002 (713) 216-2448
(Name, address and telephone number of agent for service)

USA WASTE SERVICES, INC.
(Exact name of obligor as specified in its charter)

DELAWARE
(State or other jurisdiction of
incorporation or organization)

73-1309529
(I.R.S. Employer
Identification Number)

1001 FANNIN STREET, SUITE 4000, HOUSTON, TEXAS
(Address of principal executive offices)

77002
(Zip code)

SUBORDINATED DEBT SECURITIES
(Title of indenture securities)

ITEM 1. GENERAL INFORMATION.

FURNISH THE FOLLOWING INFORMATION AS TO THE TRUSTEE:

- (a) NAME AND ADDRESS OF EACH EXAMINING OR SUPERVISING AUTHORITY TO WHICH IT IS SUBJECT.

Comptroller of the Currency, Washington, D.C.
Federal Deposit Insurance Corporation, Washington, D.C.
Board of Governors of the Federal Reserve System, Washington, D.C.

- (b) WHETHER IT IS AUTHORIZED TO EXERCISE CORPORATE TRUST POWERS.

The trustee is authorized to exercise corporate trust powers.

ITEM 2. AFFILIATIONS WITH THE OBLIGOR.

IF THE OBLIGOR IS AN AFFILIATE OF THE TRUSTEE, DESCRIBE EACH SUCH AFFILIATION.

The obligor is not an affiliate of the trustee. (See Note on Page 7.)

ITEM 3. VOTING SECURITIES OF THE TRUSTEE.

FURNISH THE FOLLOWING INFORMATION AS TO EACH CLASS OF VOTING SECURITIES OF THE TRUSTEE.

COL. A TITLE OF CLASS -----	COL. B AMOUNT OUTSTANDING -----
-----------------------------------	---------------------------------------

Not applicable by virtue of Form T-1 General Instruction B and response to Item 13.

ITEM 4. TRUSTEESHIPS UNDER OTHER INDENTURES.

IF THE TRUSTEE IS A TRUSTEE UNDER ANOTHER INDENTURE UNDER WHICH ANY OTHER SECURITIES, OR CERTIFICATES OF INTEREST OR PARTICIPATION IN ANY OTHER SECURITIES, OF THE OBLIGOR ARE OUTSTANDING, FURNISH THE FOLLOWING INFORMATION:

- (a) TITLE OF THE SECURITIES OUTSTANDING UNDER EACH SUCH OTHER INDENTURE.

Not applicable by virtue of Form T-1 General Instruction B and response to Item 13.

ITEM 4. (CONTINUED)

(b) A BRIEF STATEMENT OF THE FACTS RELIED UPON AS A BASIS FOR THE CLAIM THAT NO CONFLICTING INTEREST WITHIN THE MEANING OF SECTION 310(b)(1) OF THE ACT ARISES AS A RESULT OF THE TRUSTEESHIP UNDER ANY SUCH OTHER INDENTURE, INCLUDING A STATEMENT AS TO HOW THE INDENTURE SECURITIES WILL RANK AS COMPARED WITH THE SECURITIES ISSUED UNDER SUCH OTHER INDENTURE.

Not applicable by virtue of Form T-1 General Instruction B and response to Item 13.

ITEM 5. INTERLOCKING DIRECTORATES AND SIMILAR RELATIONSHIPS WITH OBLIGOR OR UNDERWRITERS.

IF THE TRUSTEE OR ANY OF THE DIRECTORS OR EXECUTIVE OFFICER OF THE TRUSTEE IS A DIRECTOR, OFFICER, PARTNER, EMPLOYEE, APPOINTEE, OR REPRESENTATIVE OF THE OBLIGOR OR OF ANY UNDERWRITER FOR THE OBLIGOR, IDENTIFY EACH SUCH PERSON HAVING ANY SUCH CONNECTION AND STATE THE NATURE OF EACH SUCH CONNECTION.

Not applicable by virtue of Form T-1 General Instruction B and response to Item 13.

ITEM 6. VOTING SECURITIES OF THE TRUSTEE OWNED BY THE OBLIGOR OR ITS OFFICIALS.

FURNISH THE FOLLOWING INFORMATION AS TO THE VOTING SECURITIES OF THE TRUSTEE OWNED BENEFICIALLY BY THE OBLIGOR AND EACH DIRECTOR, PARTNER AND EXECUTIVE OFFICER OF THE OBLIGOR.

COL. A	COL. B	COL. C	COL. D
			PERCENTAGE OF VOTING SECURITIES REPRESENTED BY AMOUNT GIVEN IN COL. C
NAME OF OWNER -----	TITLE OF CLASS -----	AMOUNT OWNED BENEFICIALLY -----	

Not applicable by virtue of Form T-1 General Instruction B and response to Item 13.

ITEM 7. VOTING SECURITIES OF THE TRUSTEE OWNED BY UNDERWRITERS OR THEIR OFFICIALS.

FURNISH THE FOLLOWING INFORMATION AS TO THE VOTING SECURITIES OF THE TRUSTEE OWNED BENEFICIALLY BY EACH UNDERWRITER FOR THE OBLIGOR AND EACH DIRECTOR, PARTNER AND EXECUTIVE OFFICER OF EACH SUCH UNDERWRITER.

COL. A	COL. B	COL. C	COL. D
NAME OF OWNER	TITLE OF CLASS	AMOUNT OWNED BENEFICIALLY	PERCENTAGE OF VOTING SECURITIES REPRESENTED BY AMOUNT GIVEN IN COL. C
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Not applicable by virtue of Form T-1 General Instruction B and response to Item 13.

ITEM 8. SECURITIES OF THE OBLIGOR OWNED OR HELD BY THE TRUSTEE.

FURNISH THE FOLLOWING INFORMATION AS TO THE SECURITIES OF THE OBLIGOR OWNED BENEFICIALLY OR HELD AS COLLATERAL SECURITY FOR OBLIGATIONS IN DEFAULT BY THE TRUSTEE.

COL. A	COL. B	COL. C	COL. D
TITLE OF CLASS	WHETHER THE SECURITIES ARE VOTING OR NONVOTING SECURITIES	AMOUNT OWNED BENEFICIALLY OR HELD AS COLLATERAL SECURITY FOR OBLIGATIONS IN DEFAULT	PERCENT OF CLASS REPRESENTED BY AMOUNT GIVEN IN COL. C
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Not applicable by virtue of Form T-1 General Instruction B and response to Item 13.

ITEM 9. SECURITIES OF UNDERWRITERS OWNED OR HELD BY THE TRUSTEE.

IF THE TRUSTEE OWNS BENEFICIALLY OR HOLDS AS COLLATERAL SECURITY FOR OBLIGATIONS IN DEFAULT ANY SECURITIES OF AN UNDERWRITER FOR THE OBLIGOR, FURNISH THE FOLLOWING INFORMATION AS TO EACH CLASS OF SECURITIES OF SUCH UNDERWRITER ANY OF WHICH ARE SO OWNED OR HELD BY THE TRUSTEE.

COL. A	COL. B	COL. C	COL. D
NAME OF ISSUER AND TITLE OF CLASS -----	AMOUNT OUTSTANDING -----	AMOUNT OWNED BENEFICIALLY OR HELD AS COLLATERAL SECURITY FOR OBLIGATIONS IN DEFAULT BY TRUSTEE -----	PERCENT OF CLASS REPRESENTED BY AMOUNT GIVEN IN COL. C -----

Not applicable by virtue of Form T-1 General Instruction B and response to Item 13.

ITEM 10. OWNERSHIP OR HOLDINGS BY THE TRUSTEE OF VOTING SECURITIES OF CERTAIN AFFILIATES OR SECURITY HOLDERS OF THE OBLIGOR.

IF THE TRUSTEE OWNS BENEFICIALLY OR HOLDS AS COLLATERAL SECURITY FOR OBLIGATIONS IN DEFAULT VOTING SECURITIES OF A PERSON WHO, TO THE KNOWLEDGE OF THE TRUSTEE (1) OWNS 10% OR MORE OF THE VOTING SECURITIES OF THE OBLIGOR OR (2) IS AN AFFILIATE, OTHER THAN A SUBSIDIARY, OF THE OBLIGOR, FURNISH THE FOLLOWING INFORMATION AS TO THE VOTING SECURITIES OF SUCH PERSON.

COL. A	COL. B	COL. C	COL. D
NAME OF ISSUER AND TITLE OF CLASS -----	AMOUNT OUTSTANDING -----	AMOUNT OWNED BENEFICIALLY OR HELD AS COLLATERAL SECURITY FOR OBLIGATIONS IN DEFAULT BY TRUSTEE -----	PERCENT OF CLASS REPRESENTED BY AMOUNT GIVEN IN COL. C -----

Not applicable by virtue of Form T-1 General Instruction B and response to Item 13.

ITEM 11. OWNERSHIP OR HOLDINGS BY THE TRUSTEE OF ANY SECURITIES OF A PERSON OWNING 50% OR MORE OF THE VOTING SECURITIES OF THE OBLIGOR.

IF THE TRUSTEE OWNS BENEFICIALLY OR HOLDS AS COLLATERAL SECURITY FOR OBLIGATIONS IN DEFAULT ANY SECURITIES OF A PERSON WHO, TO THE KNOWLEDGE OF THE TRUSTEE, OWNS 50% OR MORE OF THE VOTING SECURITIES OF THE OBLIGOR, FURNISH THE FOLLOWING INFORMATION AS TO EACH CLASS OF SECURITIES OR SUCH PERSON ANY OF WHICH ARE SO OWNED OR HELD BY THE TRUSTEE.

COL. A	COL. B	COL. C	COL. D
NAME OF ISSUER AND TITLE OF CLASS	AMOUNT OUTSTANDING	AMOUNT OWNED BENEFICIALLY OR HELD AS COLLATERAL SECURITY FOR OBLIGATIONS IN DEFAULT BY TRUSTEE	PERCENT OF CLASS REPRESENTED BY AMOUNT GIVEN IN COL. C
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Not applicable by virtue of Form T-1 General Instruction B and response to Item 13.

ITEM 12. INDEBTEDNESS OF THE OBLIGOR TO THE TRUSTEE.

EXCEPT AS NOTED IN THE INSTRUCTIONS, IF THE OBLIGOR IS INDEBTED TO THE TRUSTEE, FURNISH THE FOLLOWING INFORMATION:

COL. A	COL. B	COL. C
NATURE OF INDEBTEDNESS	AMOUNT OUTSTANDING	DATE DUE
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Not applicable by virtue of Form T-1 General Instruction B and response to Item 13.

ITEM 13. DEFAULTS BY THE OBLIGOR.

(a) STATE WHETHER THERE IS OR HAS BEEN A DEFAULT WITH RESPECT TO THE SECURITIES UNDER THIS INDENTURE. EXPLAIN THE NATURE OF ANY SUCH DEFAULT.

There is not, nor has there been, a default with respect to the securities under this indenture. (See Note on Page 7.)

ITEM 13. (CONTINUED)

(b) IF THE TRUSTEE IS A TRUSTEE UNDER ANOTHER INDENTURE UNDER WHICH ANY SECURITIES, OR CERTIFICATES OF INTEREST OR PARTICIPATION IN ANY OTHER SECURITIES, OF THE OBLIGOR ARE OUTSTANDING, OR IS TRUSTEE FOR MORE THAN ONE OUTSTANDING SERIES OF SECURITIES UNDER THE INDENTURE, STATE WHETHER THERE HAS BEEN A DEFAULT UNDER ANY SUCH INDENTURE OR SERIES, IDENTIFY THE INDENTURE OR SERIES AFFECTED, AND EXPLAIN THE NATURE OF ANY SUCH DEFAULT.

There has not been a default under any such indenture or series. (See Note on Page 7.)

ITEM 14. AFFILIATIONS WITH THE UNDERWRITERS.

IF ANY UNDERWRITER IS AN AFFILIATE OF THE TRUSTEE, DESCRIBE EACH SUCH AFFILIATION.

Not applicable by virtue of Form T-1 General Instruction B and response to Item 13.

ITEM 15. FOREIGN TRUSTEE.

IDENTIFY THE ORDER OR RULE PURSUANT TO WHICH THE FOREIGN TRUSTEE IS AUTHORIZED TO ACT AS SOLE TRUSTEE UNDER INDENTURES QUALIFIED OR TO BE QUALIFIED UNDER THE ACT.

Not applicable.

ITEM 16. LIST OF EXHIBITS.

LIST BELOW ALL EXHIBITS FILED AS PART OF THIS STATEMENT OF ELIGIBILITY.

- 1. A copy of the articles of association of the trustee now in effect.
- # 2. A copy of the certificate of authority of the trustee to commence business.
- * 3. A copy of the certificate of authorization of the trustee to exercise corporate trust powers issued by the Board of Governors of the Federal Reserve System under date of January 21, 1948.
- + 4. A copy of the existing bylaws of the trustee.
- 5. Not applicable.

6. The consent of the United States institutional trustees required by Section 321(b) of the Act.

X 7. A copy of the latest report of condition of the trustee published pursuant to law or the requirements of its supervising or examining authority.

8. Not applicable.

9. Not applicable.

NOTE REGARDING INCORPORATED EXHIBITS

Effective January 20, 1998, the name of the Trustee was changed from Texas Commerce Bank National Association to Chase Bank of Texas, National Association. The exhibits incorporated herein by reference were filed under the former name of the Trustee.

—
- Incorporated by reference to exhibit bearing the same designation and previously filed with the Securities and Exchange Commission as exhibits to the Form S-3 File No. 33-56195.

Incorporated by reference to exhibit bearing the same designation and previously filed with the Securities and Exchange Commission as exhibits to the Form S-3 File No. 33-42814.

* Incorporated by reference to exhibit bearing the same designation and previously filed with the Securities and Exchange Commission as exhibits to the Form S-11 File No. 33-25132.

+ Incorporated by reference to exhibit bearing the same designation and previously filed with the Securities and Exchange Commission as exhibits to the Form S-3 File No. 33-65055.

X Incorporated by reference to exhibit bearing the same designation and contemporaneously filed with the Securities and Exchange Commission as Exhibit 25.1 to Amendment No. 1 to Registration Statement on Form S-3 File No. 333-52197.

NOTE

Inasmuch as this Form T-1 is filed prior to the ascertainment by the trustee of all facts on which to base responsive answers to Items 2 and 13, the answers to said Items are based on incomplete information. Such Items may, however, be considered as correct unless amended by an amendment to this Form T-1.

SIGNATURE

PURSUANT TO THE REQUIREMENTS OF THE TRUST INDENTURE ACT OF 1939 THE TRUSTEE, CHASE BANK OF TEXAS, NATIONAL ASSOCIATION, FORMERLY KNOWN AS TEXAS COMMERCE BANK NATIONAL ASSOCIATION, A NATIONAL BANKING ASSOCIATION ORGANIZED AND EXISTING UNDER THE LAWS OF THE UNITED STATES OF AMERICA, HAS DULY CAUSED THIS STATEMENT OF ELIGIBILITY TO BE SIGNED ON ITS BEHALF BY THE UNDERSIGNED, THEREUNTO AUTHORIZED, ALL IN THE CITY OF HOUSTON, AND STATE OF TEXAS, ON THE 12TH DAY OF MAY, 1998.

CHASE BANK OF TEXAS, NATIONAL
ASSOCIATION, AS TRUSTEE

By: /s/ Mauri J. Cowen

Mauri J. Cowen
Vice President and Trust Officer

Securities and Exchange Commission
Washington, D.C. 20549

Gentlemen:

The undersigned is trustee under an Indenture between USA Waste Services, Inc., a Delaware corporation (the "Company"), and Texas Commerce Bank National Association, now known as Chase Bank of Texas, National Association, as Trustee, entered into in connection with the issuance of the Company's Subordinated Debt Securities.

In accordance with Section 321(b) of the Trust Indenture Act of 1939, the undersigned hereby consents that reports of examinations of the undersigned, made by Federal or State authorities authorized to make such examinations, may be furnished by such authorities to the Securities and Exchange Commission upon its request therefor.

Very truly yours,

CHASE BANK OF TEXAS, NATIONAL
ASSOCIATION, as Trustee

By: /s/ Mauri J. Cowen

Mauri J. Cowen
Vice President and Trust Officer