DANA HOLDING CORP
Form 424B5
July 31, 2013
Table of Contents

Filed pursuant to Rule 424(b)(5)
Registration No. 333-171826

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee[1]
5.375% Senior Notes Due 2021	$450,000,000	$ 61,380
6.000% Senior Notes Due 2023	$300,000,000	$ 40,920
Total	$750,000,000	$102,300

(1) Calculated in accordance with Rule 457(r) of the Securities Act of 1933, as amended.

Table of Contents

PROSPECTUS SUPPLEMENT

(To Prospectus dated January 24, 2011)

$750,000,000

Dana Holding Corporation

$450,000,000 5.375% Senior Notes due 2021

$300,000,000 6.000% Senior Notes due 2023

We are offering $450,000,000 aggregate principal amount of our 5.375% senior notes due 2021 (the 2021 notes) and $300,000,000 aggregate principal amount of our 6.000% senior notes due 2023 (the 2023 notes and together with the 2021 notes, the notes). Interest on the notes is payable on March 15 and September 15 of each year, beginning on March 15, 2014. The 2021 notes will mature on September 15, 2021 and the 2023 notes will mature on September 15, 2023.

At any time on or after September 15, 2016, we may redeem some or all of the 2021 notes at the redemption prices set forth in this prospectus supplement, plus accrued and unpaid interest. At any time on or after September 15, 2018, we may redeem some or all of the 2023 notes at the redemption prices set forth in this prospectus supplement, plus accrued and unpaid interest. Prior to September 15, 2016, with respect to the 2021 notes, or September 15, 2018, with respect to the 2023 notes, we may redeem some or all of such notes at a price equal to 100% of the principal amount thereof, plus accrued and unpaid interest, plus a make-whole premium. In addition, prior to September 15, 2016, we may redeem up to 35% of original aggregate principal amount of each series of notes from the proceeds of certain equity offerings at the redemption prices set forth in this prospectus supplement, plus accrued and unpaid interest. Under certain circumstances, holders of the notes will have the right to require us to repurchase all or any part of their notes at a repurchase price equal to 101% of the principal amount of the notes, plus accrued and unpaid interest.

The notes will be our unsecured senior obligations and will rank equally with all of our other unsecured senior indebtedness. The notes will not be guaranteed by any of our subsidiaries. The notes will be effectively subordinated to any of our secured indebtedness, to the extent of the assets securing such indebtedness, and to all of the debt and other liabilities of our subsidiaries.

Investing in the notes involves risks. See Risk Factors beginning on page S-11.

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

	Per 2021 Note	Per 2023 Note	Total
Public Offering Price[(1)]	100.00%	100.00%	$ 750,000,000
Underwriting Discount	1.50%	1.50%	$ 11,250,000
Proceeds to Dana Holding Corporation (before expenses)[(1)]	98.50%	98.50%	$ 738,750,000

(1) Plus accrued interest, if any, from August 2, 2013, if settlement occurs after that date.

The underwriters expect to deliver the notes to purchasers on or about August 2, 2013, only in book-entry form, through the facilities of The Depository Trust Company.

Joint Book-Running Managers

Citigroup **BofA Merrill Lynch**

Barclays **Deutsche Bank Securities** **J.P. Morgan** **UBS Investment Bank** **Wells Fargo Securities**

July 30, 2013

Table of Contents

TABLE OF CONTENTS

Prospectus Supplement

Prospectus

We have not, and the underwriters have not, authorized anyone to provide you with any information that is not contained in or incorporated by reference into this prospectus supplement, the accompanying prospectus and any related free writing prospectus that is required to be filed with the Securities and Exchange Commission (the SEC). We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. You should assume that the information contained in or incorporated by reference into this prospectus supplement, the accompanying prospectus and any such free writing prospectus is accurate only as of the date of the applicable document. We are not, and the underwriters are not, making an offer to sell these securities in any state or other jurisdiction where the offer and sale is not permitted.

Table of Contents

ABOUT THIS PROSPECTUS SUPPLEMENT

This document consists of two parts. The first part is this prospectus supplement, which describes the specific terms of this offering of notes and also adds to and updates information contained in the accompanying prospectus and the documents incorporated by reference into the accompanying prospectus. The second part is the accompanying prospectus dated January 24, 2011, which gives more general information, some of which may not apply to this offering.

To the extent there is a conflict between the information contained in this prospectus supplement and the information contained in the accompanying prospectus or any document incorporated by reference therein filed prior to the date of this prospectus supplement, you should rely on the information in this prospectus supplement.

This prospectus supplement includes references to Adjusted EBITDA, which is defined as earnings from continuing and discontinued operations before interest, taxes, depreciation, amortization, non-cash equity grant expense, restructuring expense and other nonrecurring items (such as gain/loss on debt extinguishment or divestitures, impairment and the like).

Adjusted EBITDA is the measure currently being used by Dana as the primary measure of our reportable operating segment performance. Adjusted EBITDA was selected as the primary measure for operating segment performance as well as a relevant measure of our overall performance given the enhanced comparability and usefulness of this measure after application of fresh start accounting. The most significant impact to our ongoing results of operations as a result of applying fresh start accounting following our emergence from bankruptcy was higher depreciation and amortization. By using Adjusted EBITDA, which excludes, among other things, depreciation and amortization, we believe that the comparability of results is enhanced. Management also believes that Adjusted EBITDA is an important measure since the financial covenants of our primary debt agreements are based, in part, on Adjusted EBITDA. Adjusted EBITDA should not be considered a substitute for income (loss) before income taxes, net income or other results reported in accordance with U.S. generally accepted accounting principles, or GAAP.

This prospectus supplement also includes references to diluted adjusted EPS, which is a non-GAAP financial measure, which we have defined as adjusted net income divided by adjusted diluted shares. We define adjusted net income as net income (loss) attributable to the parent company excluding any nonrecurring income tax items, restructuring expense, amortization expense and other nonrecurring items (as used in Adjusted EBITDA), net of any associated income tax effects. We define adjusted diluted shares as diluted shares as determined in accordance with GAAP based on adjusted net income. This measure is considered useful for purposes of providing investors, analysts and other interested parties with an indicator of ongoing financial performance that provides enhanced comparability to EPS reported by other companies. Diluted adjusted EPS is neither intended to represent nor be an alternative measure to diluted EPS reported under GAAP.

In addition, this prospectus supplement includes references to free cash flow, which we define as cash provided by (used in) operations, exclusive of any bankruptcy claim-related payments, less cash used for purchases of property, plant and equipment. We believe this measure is useful in evaluating our operational cash flow inclusive of the spending required to maintain the operations. Free cash flow is neither intended to represent nor be an alternative to the measure of net cash provided by (used in) operating activities reported under GAAP. Adjusted EBITDA, diluted adjusted EPS and free cash flow differ from financial measures calculated in accordance with GAAP and may not be comparable to similarly titled measures reported by other companies. Because these are non-GAAP measures, Adjusted EBITDA, diluted adjusted EPS and free cash flow should not be considered a substitute for reported results prepared in accordance with GAAP.

In this prospectus supplement, the terms Dana, we, us and our refer to Dana Holding Corporation, unless the context requires otherwise.

Table of Contents

WHERE YOU CAN FIND MORE INFORMATION

As required by the Securities Act of 1933, as amended (the Securities Act), we filed a registration statement relating to the securities that may be offered pursuant to the accompanying prospectus with the SEC. The accompanying prospectus is a part of that registration statement, which includes additional information.

We file annual, quarterly and current reports, proxy statements and other information with the SEC under the Securities Exchange Act of 1934, as amended (the Exchange Act). These filings are available to the public on the SEC s website at www.sec.gov. You may also read and copy any document we file at the SEC s public reference room at 100 F Street, N.E., Washington, D.C. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. We maintain a website at www.dana.com where our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and all amendments to those reports are available without charge, as soon as reasonably practicable after those reports are filed with or furnished to the SEC. The Standards of Business Conduct for Employees and the Standards of Business Conduct for the board of directors adopted by us are also available on our website (www.dana.com) and are available in print to any stockholder who requests them. Such requests should be made in writing to the Corporate Secretary at Dana Holding Corporation, 3939 Technology Drive, Maumee, Ohio 43537. Information on or accessible through our website does not constitute part of this prospectus supplement or the accompanying prospectus.

INCORPORATION BY REFERENCE

The SEC allows us to incorporate by reference the information we file with the SEC, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be part of this prospectus supplement, and information that we file later with the SEC will automatically update and supersede information in this prospectus supplement. The following documents have been filed by us with the SEC and are incorporated by reference into this prospectus supplement:

- Our Annual Report on Form 10-K for the year ended December 31, 2012 (filed on February 21, 2013);
- Our Proxy Statement for the 2013 meeting of stockholders (filed March 14, 2013);
- Our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2013 (filed on April 25, 2013) and June 30, 2013 (filed on July 25, 2013); and
- Our Current Reports on Form 8-K filed on April 25, 2013, June 25, 2013, June 28, 2013 and July 30, 2013.

All documents and reports that we file with the SEC (other than any portion of such filings that are furnished under applicable SEC rules rather than filed) under Sections 13(a), 13(c), 14 or 15(d) of the Exchange, from the date of this prospectus supplement until the termination of the offering under this prospectus supplement shall be deemed to be incorporated in this prospectus supplement and the accompanying prospectus by reference. Any statement contained in any document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this prospectus supplement and the accompanying prospectus to the extent that a statement contained in or omitted from this prospectus supplement or the accompanying prospectus, 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 supplement or the accompanying prospectus.

Table of Contents

FORWARD-LOOKING STATEMENTS

This prospectus supplement, the accompanying prospectus and the documents incorporated by reference include forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. In addition, we may make other written and oral communications from time to time that contain such statements. All statements regarding our expected financial position, strategies and growth prospects and general economic conditions we expect to exist in the future are forward-looking statements. The words anticipates, believes, feels, expects, estimates seeks, strives, plans, intends, outlook, forecast, position, target, mission, assume, achievable, potential, strategy, go continue, remain, maintain, trend, objective and variations of such words and similar expressions, or future or conditional verbs such as wi would, should, could, might, can, may or similar expressions, as they relate to us or our management, are intended to identify forward-loo statements.

We caution that forward-looking statements are subject to numerous assumptions, risks and uncertainties, which change over time. A forward-looking statement speaks only as of the date the statement is made, and we do not undertake to update forward-looking statements to reflect facts, circumstances, assumptions or events that occur after the date the forward-looking statements are made. Actual results could differ materially from those anticipated in forward-looking statements and future results could differ materially from historical performance. Among other factors, the risk factors mentioned elsewhere in this prospectus supplement or previously disclosed in our SEC reports (accessible on the SEC s website at www.sec.gov or on our website at www.dana.com) could cause actual results to differ materially from forward-looking statements and from historical performance. We do not have any intention or obligation to update forward-looking statements after we distribute the prospectus or any prospectus supplement.

All future written and oral forward-looking statements attributable to us or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to above. New risks and uncertainties arise from time to time, and it is impossible for us to predict these events or how they may affect us. We assume no obligation to update any forward-looking statements as a result of new information, future events or developments, except as required by federal securities laws. In addition, it is our policy generally not to make any specific projections as to future earnings, and we do not endorse any projections regarding future performance that may be made by third parties.

Table of Contents

SUMMARY

This summary highlights selected information contained elsewhere or incorporated by reference into this prospectus supplement and the accompanying prospectus. This summary does not contain all the information that you should consider before investing in the notes. You should read the entire prospectus supplement and the accompanying prospectus carefully, including the Risk Factors section, the Description of the Notes section and the financial statements and related notes included or incorporated by reference into this prospectus supplement and the accompanying prospectus.

Dana Holding Corporation

We are a leading supplier of driveline products (axles, driveshafts and transmissions), power technologies (sealing and thermal-management products) and genuine service parts for vehicle manufacturers. Our people design and manufacture products for every major vehicle producer in the world. Headquartered in Maumee, Ohio, Dana was incorporated in Delaware in 2007. As of June 30, 2013, we employed approximately 23,800 people, operated in 26 countries and owned or leased 94 major manufacturing/distribution, technical centers and office facilities around the world.

We are committed to continuing to diversify our product offerings, customer base and geographic footprint and minimizing our exposure to individual market and segment declines. In the first six months of 2013, 44% of our revenue came from North American operations and 56% from operations throughout the rest of the world. Light vehicle products accounted for 37% of our global revenues, with commercial vehicle products representing 28%, off-highway products representing 20% and power technology products representing 15%.

We maintain administrative and operational organizations in four regions North America, Europe, South America and Asia Pacific to facilitate financial and statutory reporting and tax compliance on a worldwide basis and to support our business units with regional market, customer and product strategies, assistance with business plan execution, and management of affiliate relations.

We have thousands of customers around the world and have developed long-standing business relationships with many of them. Our segments in the automotive markets are largely dependent on light vehicle Original Equipment Manufacturer (OEM) customers, while our Commercial Vehicle and Off-Highway segments have a broader and more geographically diverse customer base, including machinery and equipment manufacturers in addition to medium- and heavy-duty vehicle OEM customers.

Ford Motor Company (Ford) was the only individual customer accounting for 10% or more of our consolidated sales in 2012. As a percentage of total sales from operations, our sales to Ford were approximately 17% for 2012 and 2011 and 19% in 2010 and our sales to PACCAR Inc., our second largest customer, were approximately 8% in 2012, 7% in 2011 and 5% in 2010.

Hyundai Mobis, Chrysler Group LLC and Nissan Motor Company were our third, fourth and fifth largest customers in 2012. Our ten largest customers collectively accounted for approximately 54% of our revenue in 2012.

Products

Since our introduction of the automotive universal joint in 1904, we have been focused on technological innovation. Our objective is to be an essential partner to our customers and we remain highly focused on offering superior product quality, technologically advanced products, world-class service and competitive prices. To enhance quality and reduce costs, we use statistical process control, cellular manufacturing, flexible regional production and assembly, global sourcing and extensive employee training.

Table of Contents

We engage in ongoing engineering, research and development activities to improve the reliability, performance and cost-effectiveness of our existing products and to design and develop innovative products that meet customer requirements for new applications. We are integrating related operations to create a more innovative environment, speed product development, maximize efficiency and improve communication and information sharing among our research and development operations. These developments continue to improve customer value. For all of our markets, this means drivelines with higher torque capacity, reduced weight and improved efficiency. End-use customers benefit by having vehicles with better fuel economy and reduced cost of ownership. We are also developing a number of power technologies for vehicular and other applications that will assist fuel cell, battery and hybrid vehicle manufacturers in making their technologies commercially viable in mass production.

Our products service three primary markets: (i) light vehicle, (ii) medium/heavy vehicle, and (iii) off-highway vehicle.

In the light vehicle market, we design, manufacture and sell light axles, driveshafts, engine sealing products, thermal products and related service parts for light trucks, sport utility vehicles, crossover utility vehicles, vans and passenger cars.

In the medium/heavy vehicle market, we design, manufacture and sell axles, driveshafts, chassis and side rails, ride controls and related modules and systems, tire management systems, engine sealing products, thermal products and related service parts for medium- and heavy-duty trucks, buses and other commercial vehicles.

In the off-highway market, we design, manufacture and sell axles, transaxles, driveshafts, suspension components, transmissions, electronic controls, related modules and systems, engine sealing products, thermal products and related service parts for construction and earth moving machinery, agricultural, mining, forestry and material handling equipment and a variety of non-vehicular, industrial applications.

We currently manage our operations globally through four principal operating segments: Light Vehicle Driveline (LVD), Commercial Vehicle Driveline Technologies (Commercial Vehicle), Off-Highway Driveline Technologies (Off-Highway) and Power Technologies.

Our operating segments manufacture and market classes of similar products as shown below.

Segment	Percent of consolidated sales as of June 30, 2013	Products	Market
LVD	37%	Front and rear axles, driveshafts, differentials, torque couplings and modular assemblies	Light vehicle
Commercial Vehicle	28%	Axles, driveshafts, steering shafts, suspensions and tire management systems	Medium/heavy vehicle
Off-Highway	20%	Axles, transaxles, driveshafts and end-fittings, transmissions, torque converters and electronic controls	Off-highway
Power Technologies	15%	Gaskets, cover modules, heat shields, engine sealing systems, cooling and	Light vehicle, medium/heavy vehicle and off-highway

heat transfer products

Table of Contents

Competition

Within each of our markets, we compete with a variety of independent suppliers and distributors, as well as with the in-house operations of certain OEMs. With a renewed focus on product innovation, we differentiate ourselves through: efficiency and performance, reliability, materials and processes, sustainability and product extension.

Light vehicle market The principal LVD competitors include ZF Friedrichshafen AG (ZF Group), GKN plc (GKN), American Axle & Manufacturing (American Axle), Magna International Inc. (Magna), Wanxiang Group Corporation, Hitachi Automotive Systems LTD., IFA Group (acquired Rotarian GmbH), Neapco, LLC and the captive and vertically integrated operations of various truck and auto manufacturers (e.g., Ford and Toyota).

Our principal Power Technologies competitors include ElringKlinger Ag, Federal-Mogul Corporation, Freudenberg NOK Group, Behr GmbH & Co. KG, Mahle GmbH, Modine Manufacturing Company, Valeo Group, YinLun Co., LTD and Denso Corporation.

Medium/heavy vehicle market Our principal Commercial Vehicle competitors include Meritor, Inc., American Axle, Hendrickson (a subsidiary of the Boler Group), Klein Products Inc. and OEMs vertically integrated operations. Power Technologies competitors in this market are the same as in the light vehicle market.

Off-highway market Our major competitors in the Off-Highway segment include Carraro Group, ZF Group, GKN, Kessler + Co., Meritor, Inc. and certain OEMs vertically integrated operations. Power Technologies competition in this market is similar to their competition in the other markets above.

Business Strategy

During the past three years, we have significantly improved our financial condition reducing debt, improving the profitability of customer programs and eliminating structural costs. We have also strengthened our leadership team and streamlined our operating segments to focus on our core competencies of driveline technologies, sealing systems and thermal management. As a result, we believe that we are well-positioned to put increasing focus on profitable growth.

Operating Model. Instilling a high performance culture which drives responsibility and accountability deeper into the organization is a key lever to our future success. We have enhanced the operational capabilities of our operating segments to execute market value-based strategies, react to changing market and customer conditions, streamline operations and introduce other improvements to their businesses. While emphasizing local accountability, our operating model leverages global One Dana strengths for governance and optimizing costs through shared resources.

***Technology Leadership*.** With a clear focus on mega trend driven market and customer requirements, we are driving innovation to create differentiated value for our customers, moving from a product push to a market pull product pipeline. We are committed to making investments

and diversifying our product offerings to strengthen our competitive position in our core driveline, sealing and thermal technologies, creating value for our customers through improved fuel efficiency, emission control, electric and hybrid electric solutions, durability and cost of ownership. Our September 2012 strategic alliance with Fallbrook Technologies Inc. (Fallbrook) will enable us to leverage leading edge continuously variable planetary (CVP) technology into the development of advanced driveline solutions for customers in certain of our end markets.

Table of Contents

Additional engineering and operational investment is being channeled into reinvigorating our product portfolio and capitalizing on technology advancement opportunities. We recently combined the North American engineering centers of our LVD and Commercial Vehicle segments, allowing us the opportunity to better share technologies among these businesses. Our new engineering facilities in India and China more than doubled our engineering presence in the Asia Pacific region with state-of-the-art design and test capabilities that globally support each of our businesses.

Geographic Expansion. Although there are growth opportunities in each region, we have a primary focus in the Asia Pacific region, especially India and China. In addition to new engineering facilities in India and China, a new hypoid gear manufacturing facility in India began production in 2011 and we also completed two transactions increasing the ownership interest in our China-based joint venture with Dongfeng Motor Co., Ltd. (Dongfeng) to 50% and acquiring the axle drive head and final assembly business from our Axles India Limited (AIL) joint venture which significantly increased our commercial vehicle driveline presence in the region. We have expanded our China off-highway activities and we believe there is considerable opportunity for growth in this market. Earlier this year, we opened a business development office in Moscow, Russia to focus on expanding our business opportunities in this region. In South America, our strategic agreement with SIFCO S.A. (SIFCO), entered in February 2011, makes us the leading full driveline supplier in the South American commercial vehicle market.

Aftermarket Opportunities. We have a global group dedicated to identifying and developing aftermarket growth opportunities that leverage the capabilities within our existing businesses targeting increased future aftermarket revenues as a percent of consolidated sales.

Selective Acquisitions. Our current acquisition focus is to identify bolt-on acquisition opportunities like the SIFCO and AIL transactions that have a strategic fit with our existing businesses, particularly opportunities that support our growth initiatives and enhance the value proposition of our customer product offerings. Any potential acquisition will be evaluated in the same manner we currently consider customer program opportunities with a disciplined financial approach designed to ensure profitable growth.

Cost Management. Although we have taken significant strides to improve our margins, particularly through streamlining and rationalizing our manufacturing activities and rationalizing our administrative support processes, additional opportunities remain. We have ramped up our material cost efforts to ensure that we are rationalizing our supply base and obtaining appropriate competitive pricing. Further, we are putting a major focus on reducing product complexity something that not only improves our cost, but also brings added value to our customers through more efficient assembly processes. With a continued emphasis on process improvements and productivity throughout the organization, we expect cost reductions to continue contributing to future margin improvement.

Competitive Strengths

We believe that we benefit from the following competitive strengths:

Strong Market Position. We have strong market positions and brand recognition in our core businesses. In the Light Vehicle Driveline, Commercial Vehicle and Off-Highway businesses, we are a leading global supplier of driveline axles and driveshafts, with our off-highway products also including transmissions. Our Power Technologies business is a leading supplier of sealing and thermal products.

Market Diversity. Our participation in multiple markets serves to mitigate the exposure to adverse factors specific to a single market and the potential impact associated with economic cycles. Our diverse revenue base provides increased opportunities for growth and expansion. For

2012, our sales by business segment were: LVD 38%, Commercial Vehicle 27%, Off-Highway 21% and Power Technologies 14%.

Table of Contents

Global Diversity. With operations in 26 countries, we have a strong global footprint that we will leverage to drive our international growth initiatives. For 2012, our sales by region were: North America 47%, Europe 28%, South America 13% and Asia Pacific 12%.

Customer Diversity. We have thousands of customers around the world providing a strong base for new product opportunities and global expansion. Our largest customers are Ford, with sales that approximate 17% of consolidated 2012 sales, and PACCAR Inc., with sales that approximate 8% of consolidated 2012 sales. No other customer currently generates sales of more than 5% of consolidated sales.

Quality Products and Service. Our advanced design and engineering capabilities enable us to provide our customers with innovative and proprietary products. Additionally, our operations are focused on providing quality products and on-time delivery. During 2012, we were awarded new and replacement business which is expected to contribute net new business sales of approximately $900 million over the 2013 2016 period, further evidencing the appeal of our products and services to customers.

Strong Leadership Team. Our management team has been re-built and enhanced over the past five years adding strong talent with significant experience in all key functional disciplines, markets and regions. We have a proven team that has successfully re-shaped the company while delivering on results and objectives.

Recent Developments

Revolving Facility

On June 20, 2013, we entered into a Second Amended and Restated Revolving Credit and Guaranty Agreement (the Revolving Facility) with Citibank, N.A., as administrative and collateral agent. The Revolving Facility replaced our previous $500 million asset-based revolving credit facility. The Revolving Facility has a five-year term, provides $500 million in availability, subject to a borrowing base, and bears interest at floating rates. As of June 30, 2013, we had $70 million in letters of credit outstanding under the Revolving Facility. See Description of Other Indebtedness Revolving Facility.

Agreement to Repurchase Series A Preferred Stock

On July 28, 2013, we entered into a Stock Repurchase Agreement with Centerbridge Capital Partners, L.P. and certain of its affiliates (collectively, Centerbridge), pursuant to which we agreed to purchase from Centerbridge all 2,500,000 outstanding shares of our 4.0% Series A Convertible Preferred Stock (Series A Preferred Stock) for an aggregate purchase price of approximately $471.5 million, plus accrued and unpaid dividends through the closing date. Our obligation to repurchase the Series A Preferred Stock is subject to the condition that we have received proceeds from the issuance of new senior notes in an aggregate principal amount of not less than $600 million. The closing of the repurchase of the Series A Preferred Stock is expected to occur concurrently with the closing of this offering.

Corporate Information

Our principal executive offices are located at 3939 Technology Drive, Maumee, Ohio 43537, telephone (419) 887-3000. Our website address is www.dana.com. The information on or accessible through our website does not constitute part of this prospectus supplement or the accompanying prospectus.

Table of Contents

The Offering

The summary below describes the principal terms of the notes. Certain of the terms and conditions described below are subject to important limitations and exceptions. For a more detailed description of the terms and conditions of the notes, see the section entitled Description of the Notes.

Issuer	Dana Holding Corporation.
Notes Offered	$450,000,000 aggregate principal amount of 5.375% senior notes due 2021.
	$300,000,000 aggregate principal amount of 6.000% senior notes due 2023.
Maturity	September 15, 2021 in the case of the 2021 notes.
	September 15, 2023 in the case of the 2023 notes.
Interest	Interest on the 2021 notes will accrue from August 2, 2013 and will be payable in cash at a rate of 5.375%. Interest on the 2023 notes will accrue from August 2, 2013 and will be payable in cash at a rate of 6.000%.
Interest Payment Dates	March 15 and September 15 of each year, beginning on March 15, 2014.
Ranking	The notes will be:
	our senior unsecured obligations;
	effectively subordinated in right of payment to our existing and future secured debt, including our obligations under the Revolving Facility, to the extent of the value of such security;
	structurally subordinated in right of payment to all existing and future debt and other liabilities, including trade payables, of our subsidiaries;
	equal in right of payment to all of our existing and future senior unsecured debt, including the existing notes; and
	senior in right of payment to all of our future subordinated debt.

Initially, the notes will not be guaranteed by any of our subsidiaries. As of June 30, 2013, on a pro forma consolidated basis after giving effect to the completion of this offering, we would have had $1,648 million of senior debt, none of which was secured. The indenture governing the notes will permit us, subject to specified limitations, to incur additional debt, some or all of which may be senior debt and some or all of which may be secured.

Table of Contents

Optional Redemption of the 2021 Notes	At any time on or after September 15, 2016, we may redeem some or all of the 2021 notes at the redemption prices specified in this prospectus supplement under Description of the Notes Overview of the Notes and the Note Guarantees Optional Redemption, plus accrued and unpaid interest, if any, to the redemption date. Prior to September 15, 2016, we may redeem some or all of the 2021 notes at a redemption price equal to 100% of the aggregate principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date plus a make-whole premium. At any time prior to September 15, 2016, we may redeem up to 35% of the aggregate principal amount of the 2021 notes in an amount not to exceed the amount of proceeds of one or more equity offerings, at a price equal to 105.375% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date, provided that at least 50% of the original aggregate principal amount of the 2021 notes issued remains outstanding after the redemption.
Optional Redemption of the 2023 Notes	At any time on or after September 15, 2018, we may redeem some or all of the 2023 notes at the redemption prices specified in this prospectus supplement under Description of the Notes Overview of the Notes and the Note Guarantees Optional Redemption, plus accrued and unpaid interest, if any, to the redemption date. Prior to September 15, 2018, we may redeem some or all of the 2023 notes at a redemption price equal to 100% of the aggregate principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date plus a make-whole premium. At any time prior to September 15, 2016, we may redeem up to 35% of the aggregate principal amount of the 2023 notes in an amount not to exceed the amount of proceeds of one or more equity offerings, at a price equal to 106.000% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date, provided that at least 50% of the original aggregate principal amount of the 2023 notes issued remains outstanding after the redemption.
Covenants	We will issue the notes under an indenture among us and Wells Fargo Bank, National Association, as trustee. The indenture will include covenants that limit our ability and the ability of each of our restricted subsidiaries to: incur additional debt; pay dividends and make other restricted payments; create or permit certain liens; issue or sell capital stock of restricted subsidiaries; use the proceeds from sales of assets and subsidiary stock;

Table of Contents

	create or permit restrictions on the ability of our restricted subsidiaries to pay dividends or make other distributions to us; enter into transactions with affiliates; and consolidate or merge or sell all or substantially all of our assets. When the notes are issued, all of our subsidiaries, other than certain joint ventures, will be restricted subsidiaries, as defined in the indenture. These covenants will be subject to a number of important exceptions and qualifications as described under Description of the Notes Certain Covenants. During any future period in which either Moody s Investors Service, Inc. (Moody s) or Standard & Poor s, a division of McGraw Hill Financial, Inc. (S&P), has assigned an investment grade rating to the notes, and the other rating agency has assigned the notes a rating of at least Ba1 in the case of Moody s or BB+ in the case of S&P, certain of the covenants will be suspended. If one of these rating agencies subsequently downgrades its rating below the investment grade rating or the other specified rating, as applicable, the suspended covenants will thereafter again be in effect. See Description of the Notes Covenant Suspension.
Change of Control	Following a change of control, we will be required to offer to purchase all of the notes at a purchase price of 101% of their principal amount, plus accrued and unpaid interest, if any, to the date of purchase.
Use of Proceeds	We expect to receive net proceeds from this offering of approximately $737 million, after deducting the underwriting discount and our estimated expenses related to the offering. We intend to use the net proceeds from this offering (i) to repurchase all outstanding shares of our Series A Preferred Stock from Centerbridge for an aggregate purchase price of approximately $471.5 million, plus accrued and unpaid dividends, (ii) to fund additional common share repurchases under our share repurchase program and (iii) for other general corporate purposes. See Use of Proceeds.
Absence of Established Markets for the Notes	The notes are new issues of securities, and currently there are no markets for them. We do not intend to apply for the notes to be listed on any securities exchange or to arrange for any quotation system to quote them. The underwriters have advised us that they intend to make a market in the notes but they are not obligated to do so. The underwriters may discontinue any market-making in the notes at any time in their sole discretion. Accordingly, we cannot assure you that liquid markets will develop for the notes.
Risk Factors	You should carefully consider the information set forth in the section entitled Risk Factors and the other information included and incorporated by reference in this prospectus supplement in deciding whether to purchase the notes.

Table of Contents

Summary Historical Financial Information

The following summary historical consolidated financial information as of December 31, 2012 and 2011 and for the fiscal years ended December 31, 2012, 2011 and 2010 have been derived from, and should be read in conjunction with, our audited financial statements and related notes appearing in our Annual Report on Form 10-K for the fiscal year ended December 31, 2012, which is incorporated herein by reference. Our audited consolidated financial statements have been audited by PricewaterhouseCoopers LLP.

The following summary historical consolidated financial information as of June 30, 2013 and for the six months ended June 30, 2013 and 2012 have been derived from, and should be read in conjunction with, our unaudited consolidated financial statements and related notes appearing in our Quarterly Report on Form 10-Q for the quarter ended June 30, 2013, which is incorporated herein by reference. Results for the six months ended June 30, 2013 are not necessarily indicative of the results that may be expected for the entire fiscal year or for any future period. In the opinion of management, all adjustments consisting of normal recurring accruals considered necessary for a fair presentation have been included.

You should read this summary in conjunction with the Management s Discussion and Analysis of Financial Condition and Results of Operations sections appearing in our Annual Report on Form 10-K for the fiscal year ended December 31, 2012 and our Quarterly Report on Form 10-Q for the quarter ended June 30, 2013, which are incorporated herein by reference.

	Six Months Ended		Year Ended December 31,		
(in millions)	June 30, 2013	June 30, 2012	2012	2011	2010
	(unaudited)				
Statement of Operations Data:					
Net sales	$ 3,476	$ 3,900	$ 7,224	$ 7,544	$ 5,921
Costs and expenses:					
Cost of sales	3,003	3,361	6,250	6,647	5,270
Selling, general and administrative expenses	208	223	424	407	395
Amortization of intangibles	37	38	74	77	61
Restructuring charges, net	6	24	47	82	74
Other income, net	20	7	19	54	23
Income from continuing operations before interest expense and income taxes	242	261	448	385	144
Interest expense	42	41	84	79	89
Income from continuing operations before income taxes	200	220	364	306	55
Income tax expense	62	64	51	87	30
Equity in earnings of affiliates	7	6	2	21	11
Income from continuing operations	145	162	315	240	36
Income (loss) from discontinued operations	1			(8)	(21)
Net income	146	162	315	232	15
Noncontrolling interests net income	12	6	15	13	4
Net income attributable to the parent company	$ 134	$ 156	$ 300	$ 219	$ 11

Table of Contents

(in millions, except ratios)	Six Months Ended June 30, 2013	Six Months Ended June 30, 2012	Year Ended December 31, 2012	Year Ended December 31, 2011	Year Ended December 31, 2010
	(unaudited)				
Statement of Cash Flow Data:					
Net cash (used in) provided by operating activities	$ 187	$ (9)	$ 339	$ 370	$ 287
Net cash (used in) provided by investing activities	(75)	(68)	(161)	(344)	17
Net cash (used in) provided by financing activities	(117)	36	(55)	(148)	(144)
Capital expenditures	71	71	164	196	120
Other Data: (unaudited)					
Ratio of earnings to fixed charges	4.92	5.28	4.51	4.10	1.53
Ratio of earnings to fixed charges and preferred dividends(1)	3.43	3.72	3.35	2.86	0.93

(1) Preferred dividends are payable in respect of our Series A Preferred Stock and Series B Preferred Stock.

(in millions)	As of June 30, 2013 (unaudited)	As of December 31, 2012	As of December 31, 2011
Balance Sheet Data:			
Current assets	$ 3,160	$ 2,953	$ 3,021
Total assets	5,174	5,144	5,277
Short-term debt and current portion of long-term debt	74	101	71
Long-term debt	824	803	831
Preferred stock	739	753	753
Parent company stockholders equity	1,813	1,843	1,737
Total stockholders equity	1,911	1,948	1,838

Table of Contents

RISK FACTORS

An investment in the notes involves risks. You should carefully consider the risks described below, as well as the other information we have provided in this prospectus supplement, the accompanying prospectus and the documents we incorporate by reference herein, before reaching a decision regarding an investment in the notes. These risk factors may be amended, supplemented or superseded from time to time by other reports we file with the SEC in the future. The risks described are not the only risks facing us. Additional risks and uncertainties not known to us or that we currently view as immaterial may also materially and adversely affect our business, financial condition or results of operations and you may lose all or a portion of your original investment.

Risks Related to the Markets We Serve

Failure to sustain a continuing economic recovery in the United States and elsewhere could have a substantial adverse effect on our business.

Our business is tied to general economic and industry conditions as demand for vehicles depends largely on the strength of the economy, employment levels, consumer confidence levels, the availability and cost of credit and the cost of fuel. These factors have had and could continue to have a substantial impact on our business.

While we expect a continuing overall economic recovery in 2013, negative economic conditions such as a worsening debt crisis in Europe or rising fuel prices could adversely impact our business. Adverse developments in these conditions could reduce demand for new vehicles, causing our customers to reduce their vehicle production and, as a result, demand for our products would be adversely affected.

Our customers and suppliers could experience severe economic constraints in the future, including bankruptcy. Adverse global economic conditions and further deterioration could have a material adverse impact on our financial position and results of operations.

We could be adversely impacted by the loss of any of our significant customers, changes in their requirements for our products or changes in their financial condition.

We are reliant upon sales to several significant customers. Sales to our ten largest customers accounted for 54% of our overall revenue in 2012. Changes in our business relationships with any of our large customers or in the timing, size and continuation of their various programs could have a material adverse impact on us.

The loss of any of these customers, the loss of business with respect to one or more of their vehicle models on which we have a high component content, or a significant decline in the production levels of such vehicles would negatively impact our business, results of operations and financial condition. Pricing pressure from our customers also poses certain risks. Inability on our part to offset pricing concessions with cost reductions would adversely affect our profitability. We are continually bidding on new business with these customers, as well as seeking to diversify our customer base, but there is no assurance that our efforts will be successful. Further, to the extent that the financial condition of our

largest customers deteriorates, including possible bankruptcies, mergers or liquidations, or their sales otherwise decline, our financial position and results of operations could be adversely affected.

We may be adversely impacted by changes in international legislative and political conditions.

We operate in 26 countries around the world and we depend on significant foreign suppliers and customers. Further, we have several growth initiatives that are targeting emerging markets like China and India. Legislative and political activities within the countries where we conduct business, particularly in emerging markets and less developed countries, could adversely impact our ability to operate in those countries. The political situation in a number of countries in which we operate could create instability in our contractual relationships with no effective legal safeguards for resolution of these issues, or potentially result in the seizure of our assets. We operate in

Table of Contents

Venezuela where government exchange controls place restrictions on our ability to repatriate funds, and in Argentina, where trade-related initiatives and other government restrictions limit our ability to optimize operating effectiveness.

We may be adversely impacted by the strength of the U.S. dollar relative to the currencies in the other countries in which we do business.

Approximately 60% of our sales in 2012 were from operations located in countries other than the United States. Currency variations can have an impact on our results (expressed in U.S. dollars). Currency variations can also adversely affect margins on sales of our products in countries outside of the United States and margins on sales of products that include components obtained from affiliates or other suppliers located outside of the United States. The U.S. dollar was generally stronger during 2012 as compared to 2011. Continued strengthening against the euro and many other currencies of countries in which we have operations could adversely affect our results reported in U.S. dollars. We use a combination of natural hedging techniques and financial derivatives to mitigate foreign currency exchange rate risks. Such hedging activities may be ineffective or may not offset more than a portion of the adverse financial impact resulting from currency variations.

We may be adversely impacted by new laws, regulations or policies of governmental organizations related to increased fuel economy standards and reduced greenhouse gas emissions, or changes in existing ones.

The markets and customers we serve are subject to a substantial amount of government regulation, which often differs by state, region and country. Government regulation has arisen, and proposals for additional regulation are advanced, primarily out of concern for the environment (including concerns about the possibility of global climate change and its impact) and energy independence. We anticipate that the number and extent of these regulations, and the costs to comply with them, will increase significantly in the future.

In the United States, vehicle fuel economy and greenhouse gas emissions are regulated under a harmonized national program administered by the National Highway Traffic Safety Administration and the Environmental Protection Agency. Other governments in the markets we serve are also creating new policies to address these same issues, including the European Union, Brazil, China and India. These government regulatory requirements could significantly affect our customers by altering their global product development plans and substantially increasing their costs, which could result in limitations on the types of vehicles they sell and the geographical markets they serve. Any of these outcomes could adversely affect our financial position and results of operations.

Our international operations, particularly in emerging markets, are subject to various risks that could have a material adverse effect on our business, results of operations and financial condition.

Our business is subject to certain risks associated with doing business internationally, particularly in emerging markets. Approximately 60% of our sales in 2012 were from operations located in countries other than the United States. We intend to continue to pursue growth opportunities for our business in a variety of business environments outside the United States, which could exacerbate the risks set forth below. Our international operations are subject to, the following risks, among others: the burden of complying with multiple and possibly conflicting laws and any unexpected changes in regulatory requirements; foreign currency exchange controls, import and export restrictions and tariffs, including restrictions promulgated by the Office of Foreign Assets Control of the U.S. Department of the Treasury, and other trade protection regulations and measures; political risks, including risks of loss due to civil disturbances, acts of terrorism, acts of war, guerilla activities and insurrection; unstable economic, financial and market conditions and increased expenses as a result of inflation, or higher interest rates; difficulties in enforcement of third-party contractual obligations and intellectual property rights and collecting receivables through foreign legal systems; difficulty in staffing and managing international operations and the application of foreign labor regulations; differing local product preferences and product requirements; fluctuations in currency exchange rates to the extent that our assets or liabilities are denominated in a currency other

than the functional currency of the country where we operate; potentially adverse tax

Table of Contents

consequences from changes in tax laws, requirements relating to withholding taxes on remittances and other payments by subsidiaries and restrictions on our ability to repatriate dividends from our subsidiaries; and exposure to liabilities under anti-corruption and anti-money laundering laws, including the U.S. Foreign Corrupt Practices Act (FCPA) and similar laws and regulations in other jurisdictions. Any one of these factors could materially adversely affect our sales to international customers or harm our reputation, which could have a material adverse effect on our business, results of operations and financial condition.

Company-Specific Risk Factors

We have taken, and continue to take, cost-reduction actions. Although our process includes planning for potential negative consequences, the cost-reduction actions may expose us to additional production risk and could adversely affect our sales, profitability and ability to attract and retain employees.

We have been reducing costs in all of our businesses and have discontinued product lines, exited businesses, consolidated manufacturing operations and positioned operations in lower cost locations. The impact of these cost-reduction actions on our sales and profitability may be influenced by many factors including our ability to successfully complete these ongoing efforts, our ability to generate the level of cost savings we expect or that are necessary to enable us to effectively compete, delays in implementation of anticipated workforce reductions, decline in employee morale and the potential inability to meet operational targets due to our inability to retain or recruit key employees.

Labor stoppages or work slowdowns at Dana, key suppliers or our customers could result in a disruption in our operations and have a material adverse effect on our businesses.

We and our customers rely on our respective suppliers to provide parts needed to maintain production levels. We all rely on workforces represented by labor unions. Workforce disputes that result in work stoppages or slowdowns could disrupt operations of all of these businesses, which in turn could have a material adverse effect on the supply of, or demand for, the products we supply our customers.

We could be adversely affected if we are unable to recover portions of commodity costs (including costs of steel, other raw materials and energy) from our customers.

We continue to work with our customers to recover a greater portion of our material cost increases. While we have achieved some success in these efforts to date, there is no assurance that increases in commodity costs will not adversely impact our profitability in the future.

We could be adversely affected if we experience shortages of components from our suppliers or if disruptions in the supply chain lead to parts shortages for our customers.

A substantial portion of our annual cost of sales is driven by the purchase of goods and services. To manage and reduce these costs, we have been consolidating our supplier base. As a result, we are dependent on single sources of supply for some components of our products. We select our suppliers based on total value (including price, delivery and quality), taking into consideration their production capacities and financial

condition, and we expect that they will be able to support our needs. However, there is no assurance that adverse financial conditions, including bankruptcies of our suppliers, reduced levels of production or other problems experienced by our suppliers will not result in shortages or delays in their supply of components to us or even in the financial collapse of one or more such suppliers. If we were to experience a significant or prolonged shortage of critical components from any of our suppliers, particularly those who are sole sources, and were unable to procure the components from other sources, we would be unable to meet our production schedules for some of our key products and to ship such products to our customers in a timely fashion, which would adversely affect our revenues, margins and customer relations.

Table of Contents

Adverse economic conditions, natural disasters and other factors can similarly lead to financial distress or production problems for other suppliers to our customers which can create disruptions to our production levels. Any such supply-chain induced disruptions to our production are likely to create operating inefficiencies that will adversely affect our revenues, margins and customer relations.

We use important intellectual property in our business. If we are unable to protect our intellectual property or if a third party makes assertions against us or our customers relating to intellectual property rights, our business could be adversely affected.

We own important intellectual property, including patents, trademarks, copyrights and trade secrets, and are involved in numerous licensing arrangements. Our intellectual property plays an important role in maintaining our competitive position in a number of the markets that we serve. Our competitors may develop technologies that are similar or superior to our proprietary technologies or design around the patents we own or license. Further, as we expand our operations in jurisdictions where the protection of intellectual property rights is less robust, the risk of others duplicating our proprietary technologies increases, despite efforts we undertake to protect them. Developments or assertions by or against us relating to intellectual property rights, and any inability to protect these rights, could materially adversely impact our business and our competitive position.

We could encounter unexpected difficulties integrating acquisitions and joint ventures.

We acquired businesses and invested in joint ventures in the past, and we expect to complete additional investments in the future that complement or expand our businesses. The success of this strategy will depend on our ability to successfully complete these transactions or arrangements, to integrate the businesses acquired in these transactions and to develop satisfactory working arrangements with our strategic partners in the joint ventures. We could encounter unexpected difficulties in completing these transactions and integrating the acquisitions with our existing operations. We also may not realize the degree or timing of benefits anticipated when we entered into a transaction.

Several of our joint ventures operate pursuant to established agreements and, as such, we do not unilaterally control the joint venture. There is a risk that the partners objectives for the joint venture may not be aligned, leading to potential differences over management of the joint venture that could adversely impact its financial performance and consequent contribution to our earnings. Additionally, inability on the part of our partner to satisfy its contractual obligations under the agreements could adversely impact our results of operations and financial position.

We could be adversely impacted by the costs of environmental, health, safety and product liability compliance.

Our operations are subject to environmental laws and regulations in the United States and other countries that govern emissions to the air; discharges to water; the generation, handling, storage, transportation, treatment and disposal of waste materials; and the cleanup of contaminated properties. Historically, other than an Environmental Protection Agency settlement as part of our bankruptcy proceedings, environmental costs related to our former and existing operations have not been material. However, there is no assurance that the costs of complying with current environmental laws and regulations, or those that may be adopted in the future, will not increase and adversely impact us.

There is also no assurance that the costs of complying with current laws and regulations, or those that may be adopted in the future, that relate to health, safety and product liability matters will not adversely impact us. There is also a risk of warranty and product liability claims, as well as product recalls, if our products fail to perform to specifications or cause property damage, injury or death, including a risk that asbestos related product liability claims could result in increased liabilities. See Notes 13 and 14 to our unaudited consolidated financial statements appearing in

our Quarterly Report on Form 10-Q for the quarter ended June 30, 2013 and Notes 15

Table of Contents

and 16 to our consolidated financial statements appearing in our Annual Report on Form 10-K for the year ended December 31, 2012, which are incorporated herein by reference for additional information on warranties and product liabilities.

Our ability to utilize our net operating loss carryforwards may be limited.

Net operating tax loss carryforwards (NOLs) approximating $933 million were available at December 31, 2012 to reduce future U.S. income tax liabilities. Our ability to utilize these NOLs may be limited as a result of certain change of control provisions of the U.S. Internal Revenue Code of 1986, as amended (the Code). Of this amount, NOLs of approximately $736 million are treated as losses incurred before the change of control upon emergence from Chapter 11 and are limited to annual utilization of $84 million. The balance of NOLs, treated as incurred subsequent to the change in control, were not subject to limitation as of December 31, 2012. However, there can be no assurance that trading in our shares will not effect another change in control under the Code, which would further limit our ability to utilize our available NOLs. Such limitations may cause us to pay income taxes earlier and in greater amounts than would be the case if the NOLs were not subject to limitation.

A failure of our information technology infrastructure could adversely impact our business and operations.

We recognize the increasing volume of cyber attacks and employ commercially practical efforts to provide reasonable assurance such attacks are appropriately mitigated. Each year, we evaluate the threat profile of our industry to stay abreast of trends and to provide reasonable assurance our existing countermeasures will address any new threats identified. Despite our implementation of security measures, our information technology systems and those of our service providers are vulnerable to circumstances beyond our reasonable control including acts of terror, acts of government, natural disasters, civil unrest, and denial of service attacks which may lead to the theft of our intellectual property, trade secrets, or business disruption. To the extent that any disruptions or security breach results in a loss or damage to our data, or an inappropriate disclosure of confidential information, it could cause significant damage to our reputation, affect our relationships with our customers, lead to claims against the company and ultimately harm our business. Additionally, we may be required to incur significant costs to protect against damage caused by these disruptions or security breaches in the future.

We participate in certain multiemployer pension plans which are not fully funded.

We contribute to certain multiemployer defined benefit pension plans for our union-represented employees in the United States in accordance with our collective bargaining agreements. Contributions are based on hours worked except in cases of layoff or leave where we generally contribute based on 40 hours per week for a maximum of one year. The plans were not fully funded as of December 31, 2012. We could be held liable to the plans for our obligation, as well as those of other employers, due to our participation in the plans. Contribution rates could increase if the plans are required to adopt a funding improvement plan, if the performance of plan assets does not meet expectations or as a result of future collectively bargained wage and benefit agreements. See Note 9 to our consolidated financial statements appearing in our Quarterly Report on Form 10-Q for the quarter ended June 30, 2013 and Note 11 to our consolidated financial statements appearing in our Annual Report on Form 10-K for the year ended December 31, 2012, which have been incorporated herein by reference, for additional information on multiemployer pension plans.

Risks Related to Our Indebtedness and the Notes

Our indebtedness could adversely affect our business, financial condition and results of operations and prevent us from meeting any of our payment obligations under the notes and our other debt.

As of June 30, 2013, after giving effect to this offering, we would have had approximately $1,648 million of outstanding debt. As of June 30, 2013, we had no secured debt outstanding.

Table of Contents

This level of debt could have significant consequences on our future operations, including:

- making it more difficult for us to meet our payment and other obligations under the notes and our other outstanding debt;
- resulting in an event of default if we fail to comply with the financial and other restrictive covenants contained in our debt agreements, which event of default could result in all of our debt becoming immediately due and payable;
- reducing the availability of our cash flow to fund working capital, capital expenditures, acquisitions and other general corporate purposes, and limiting our ability to obtain additional financing for these purposes;
- subjecting us to the risk of increased sensitivity to interest rate increases on our indebtedness with variable interest rates, including borrowings under our Revolving Facility;
- limiting our flexibility in planning for, or reacting to, and increasing our vulnerability to, changes in our business, the industry in which we operate and the general economy; and
- placing us at a competitive disadvantage compared to our competitors that have less debt or are less leveraged.

Our ability to meet our payment and other obligations under our debt instruments depends on our ability to generate significant cash flow in the future. This, to some extent, is subject to general economic, financial, competitive, legislative and regulatory factors as well as other factors that are beyond our control. We cannot assure you that our business will generate cash flow from operations, or that future borrowings will be available to us under our existing or any future credit facilities or otherwise, in an amount sufficient to enable us to meet our payment obligations under the notes and our other debt and to fund other liquidity needs. If we are not able to generate sufficient cash flow to service our debt obligations, we may need to refinance or restructure our debt, including the notes, sell assets, reduce or delay capital investments, or seek to raise additional capital. If we are unable to implement one or more of these alternatives, we may not be able to meet our payment obligations under the notes and our other debt and other obligations.

Additionally, the Revolving Facility bears interest at a variable rate that is linked to changing market interest rates. As a result, an increase in market interest rates would increase our interest expense, potentially impacting our ability to meet our payment and other obligations under our debt instruments.

Despite our current indebtedness levels, we may still be able to incur substantially more debt. This could exacerbate further the risks associated with our substantial leverage.

We and our subsidiaries may be able to incur substantial additional indebtedness, including additional secured indebtedness, in the future. The terms of the notes will, and our existing senior notes and the Revolving Facility restrict, but do not completely prohibit, us from doing so. As of June 30, 2013, we had potential availability of $303 million under the Revolving Facility after deducting outstanding letters of credit, and of $91 million under the European Receivables Loan Facility. The indentures governing the notes and our existing senior notes allow us to issue additional fungible debt securities under certain circumstances and also allow us to incur certain secured debt and allow our foreign subsidiaries to incur additional debt, which would be effectively senior to the notes. In addition, the indentures do not prevent us from incurring other liabilities that do not constitute indebtedness. See Description of the Notes. If new debt or other liabilities are added to our current debt levels, the related risks that we now face could intensify.

We and our subsidiaries are subject to various restrictions, and substantially all of our assets are pledged, subject to certain restrictions, under the Revolving Facility.

The Revolving Facility is guaranteed by all of our domestic subsidiaries except for Dana Credit Corporation and Dana Companies, LLC and their respective subsidiaries. The security agreement for the Revolving

Table of Contents

Facility grants a first priority lien on Dana s and the guarantors accounts receivable and inventory and a second priority lien on substantially all of Dana s and the guarantors remaining assets, including a pledge of 65% of the stock of our material foreign subsidiaries. The Revolving Facility also contains covenants that, among other things, require Dana to maintain a minimum fixed charge coverage ratio of 1.0 to 1.0 that would only apply if Dana failed to maintain availability under the Revolving Facility of at least (i) $62.5 million for five consecutive business days or (ii) $50.0 million for one business day and restrict Dana s and its subsidiaries ability to incur debt, pay dividends or make other distributions, make certain capital expenditures, enter into certain fundamental transactions (including sales of assets and certain mergers and consolidations) and create or permit liens. If we are unable to generate sufficient cash flow or otherwise obtain the funds necessary to make required payments of interest or principal under, or are unable to comply with covenants of, the Revolving Facility, then we would be in default under the terms of the agreement, which would, under certain circumstances, permit the lenders to accelerate the maturity of the indebtedness and foreclose on the collateral. See Description of Other Indebtedness.

Although the notes are referred to as senior notes, they will be effectively subordinated to our secured debt.

The notes are unsecured and therefore will be effectively subordinated to any of our secured debt to the extent of the assets securing such debt. In the event of a bankruptcy or similar proceeding, the assets which serve as collateral for any secured debt will be available to satisfy the obligations under the secured debt before any payments are made on the notes. The notes will be effectively subordinated to any borrowings under our credit facilities and other secured debt. The indenture governing the notes will allow us to incur a substantial amount of additional secured debt. As of June 30, 2013, we had no secured debt outstanding.

Although the notes are referred to as senior notes, they will be structurally subordinated to all liabilities of our subsidiaries, none of which will initially serve as guarantors of the notes.

The notes are structurally subordinated to the indebtedness and other liabilities of our subsidiaries. These subsidiaries are separate and distinct legal entities and have no obligation, contingent or otherwise, to pay any amounts due pursuant to the notes, or to make any funds available therefor, whether by dividends, loans, distributions or other payments. For the six months ended June 30, 2013, our subsidiaries had net sales of $3.5 billion, and for the fiscal year ended December 31, 2012, our subsidiaries had net sales of $7.2 billion. In addition, as of June 30, 2013, our subsidiaries held $5.2 billion of our total assets and had $2.5 billion of outstanding indebtedness, and as of December 31, 2012, our subsidiaries held $5.1 billion of our total assets and had $2.4 billion of outstanding indebtedness. Any right that we have to receive any assets of any subsidiaries upon the liquidation or reorganization of those subsidiaries, and the consequent rights of holders of notes to realize proceeds from the sale of any of those subsidiaries assets, will be structurally subordinated to the claims of those subsidiaries creditors, including trade creditors and holders of preferred equity interests of those subsidiaries. Accordingly, in the event of a bankruptcy, liquidation or reorganization of any of our subsidiaries, these subsidiaries will pay the holders of their debts, holders of preferred equity interests and their trade creditors before they will be able to distribute any of their assets to us.

To service our debt and meet our other cash needs, we will require a significant amount of cash, which may not be available to us.

Our ability to make payments on, or repay or refinance, our debt, including the notes, and to fund planned capital expenditures, dividends and other cash needs will depend largely upon our future operating performance. Our future performance, to a certain extent, is subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond our control. In addition, our ability to borrow funds in the future to make payments on our debt will depend on the satisfaction of the covenants in the Revolving Facility and our other debt agreements, including the indenture governing the notes, and other agreements we may enter into in the future. Specifically, we will need to maintain specified financial ratios and satisfy financial condition tests.

Table of Contents

We cannot assure you that our business will generate sufficient cash flow from operations or that future borrowings will be available to us under our credit facilities or from other sources in an amount sufficient to enable us to pay our debt, including the notes, or to fund our dividends and other liquidity needs.

In addition, prior to the repayment of the notes, we will be required to refinance or repay the Revolving Facility and certain subsidiary debt. We cannot assure you that we will be able to refinance any of our debt, including the Revolving Facility, on commercially reasonable terms or at all. If we are unable to make payments or refinance our debt or obtain new financing under these circumstances, we would have to consider other options, such as:

sales of assets;

sales of equity; and

negotiations with our lenders to restructure the applicable debt.

The Revolving Facility, the indenture governing the notes and the existing senior notes and the agreements governing our other indebtedness may restrict, or market or business conditions may limit, our ability to do some of these things.

We are dependent upon dividends from our subsidiaries to meet our debt service obligations.

We are a holding company and conduct all of our operations through our subsidiaries. Our ability to meet our debt service obligations is dependent on receipt of dividends from our direct and indirect subsidiaries. Subject to the restrictions contained in our credit facilities (including the Revolving Facility) and indenture, future borrowings by our subsidiaries may contain restrictions or prohibitions on the payment of dividends by our subsidiaries to us. See Description of the Notes Certain Covenants. In addition, applicable state corporate law may limit the ability of our subsidiaries to pay dividends to us. We cannot assure you that the agreements governing the current and future indebtedness of our subsidiaries, applicable laws or state regulation will permit our subsidiaries to provide us with sufficient dividends, distributions or loans to fund payments on the notes when due.

We may be unable to make a change of control offer required by the indenture governing the notes, which would cause defaults under the indenture governing the notes and our other financing arrangements.

The terms of the notes will require us to make an offer to repurchase the notes upon the occurrence of a change of control at a purchase price equal to 101% of the principal amount of the notes, plus accrued interest to the date of the purchase. The terms of the Revolving Facility effectively require, and other financing arrangements may require, repayment of amounts outstanding in the event of a change of control and may limit our ability to fund the repurchase of your notes in certain circumstances. It is possible that we will not have sufficient funds at the time of the change of control to make the required repurchase of notes or that restrictions in our financing arrangements will not allow the repurchases. See Description of the Notes Overview of the Notes Change of Control.

The ability of holders of notes to require us to repurchase notes as a result of a disposition of substantially all of our assets or a change in the composition of our board of directors is uncertain.

The definition of change of control in the indenture governing the notes offered hereby includes a phrase relating to the sale, transfer, conveyance or other disposition of all or substantially all of our and our subsidiaries assets, taken as a whole. Although there is a limited body of case law interpreting the phrase substantially all, there is no precise established definition of the phrase. Accordingly, the ability of a holder of notes to require us to repurchase such notes as a result of a sale, transfer, conveyance or other disposition of less than all of our and our subsidiaries assets, taken as a whole, to another person or group is uncertain. In addition,

Table of Contents

a recent Delaware Chancery Court decision raised questions about the enforceability of provisions that are similar to those in the indenture governing the notes offered hereby, related to the triggering of a change of control as a result of a change in the composition of a board of directors. Accordingly, the ability of a holder of notes to require us to repurchase notes as a result of a change in the composition of the directors on our board is uncertain.

The terms of the Revolving Facility, the notes and our existing senior notes and the agreements governing our other indebtedness may restrict our current and future operations, particularly our ability to respond to changes in our business or to take certain actions.

The terms of the Revolving Facility, the notes and our existing senior notes and the agreements governing our other indebtedness contain, and any future indebtedness of ours may contain, a number of restrictive covenants that will impose significant operating and financial restrictions on us. These covenants restrict our ability to, among other things:

- incur or guarantee additional debt;
- pay dividends and make other restricted payments;
- create or incur certain liens;
- engage in sales of assets and subsidiary stock;
- enter into transactions with affiliates;
- sell or dispose of our assets or enter into merger or consolidation transactions;
- make investments, including acquisitions;
- enter into lines of businesses which are not reasonably related to those businesses in which we are engaged;
- enter into contracts containing restrictions on granting liens or making distributions, loans or transferring assets to us or any guarantor under the Revolving Facility; and/or
- repay indebtedness (including our existing debt securities and the notes) prior to stated maturities.

In addition, the Revolving Facility contains a minimum fixed charge coverage ratio of 1.0 to 1.0 that would only apply if we fail to maintain availability under the Revolving Facility of at least (i) $62.5 million for five consecutive business days or (ii) $50.0 million for one business day. As a result of these covenants, we will be limited in the manner in which we conduct our business, and we may be unable to engage in favorable business activities or finance future operations or capital needs.

A failure to comply with the covenants contained in the Revolving Facility and the agreements governing our other indebtedness, including our existing senior notes and the notes, could result in an event of default under the Revolving Facility or such agreements, which, if not cured or waived, could have a material adverse effect on our business, financial condition and results of operations. In the event of such default, the lenders thereunder:

- could elect to declare all borrowings outstanding, together with accrued and unpaid interest and fees, to be due and payable;
- may have the ability to require us to apply all of our available cash to repay these borrowings; or
- may prevent us from making debt service payments under our other agreements, including the indenture governing the notes, any of which could result in an event of default under the notes.

If the indebtedness under the Revolving Facility or our other indebtedness, including our existing senior notes and the notes, were to be accelerated, there can be no assurance that our assets would be sufficient to repay such indebtedness in full.

Table of Contents

Notwithstanding the restrictions described above, the terms of the notes and our existing senior notes do not impose any restrictions on our ability to invest in other entities (including unaffiliated entities) and permits us to redesignate our restricted subsidiaries as unrestricted in certain circumstances, including in connection with the creation of foreign joint ventures or if we could (at the time of such redesignation) make a restricted payment in an amount equal to the lesser of our investment in the restricted subsidiary and the fair market value of the restricted subsidiary. We will be able to make restricted payments so long as our total leverage ratio (as defined in the indentures governing the notes and the existing senior notes) does not exceed 3.75 to 1.00 at the time of, and after giving effect to, any such restricted payment.

Active trading markets may not develop for the notes, which may hinder your ability to liquidate your investment.

The notes are new issues of securities with no established trading markets and we do not intend to list them on any securities exchange. Certain of the underwriters have informed us that they intend to make a market in the notes. However, the underwriters are not obligated to do so and may cease their market-making at any time. In addition, the liquidity of the trading markets in the notes, and the market prices quoted for the notes, may be adversely affected by changes in the overall market for fixed income securities and by changes in our financial performance or prospects or in the prospects for companies in our industry in general. As a result, we cannot assure you that active trading markets will develop for the notes. If no active trading markets develop, you may not be able to resell your notes at their fair market value or at all.

If a bankruptcy petition were filed by or against us, holders of notes may receive a lesser amount for their claim than they would have been entitled to receive under the indenture governing the notes.

If a bankruptcy petition were filed by or against us under the U.S. Bankruptcy Code after the issuance of the notes, the claim by any holder of the notes for the principal amount of the notes may be limited to an amount equal to the sum of:

the original issue price for the notes; and

that portion of the original issue discount that does not constitute unmatured interest for purposes of the U.S. Bankruptcy Code.

Any original issue discount that was not amortized as of the date of the bankruptcy filing would constitute unmatured interest. Accordingly, holders of the notes under these circumstances may receive a lesser amount than they would be entitled to receive under the terms of the indenture governing the notes, even if sufficient funds are available.

If the notes are rated investment grade by either Moody s or S&P in the future and the other rating agency has assigned the notes a rating of at least Ba1 in the case of Moody s or BB+ in the case of S&P, and as long as the notes maintain such ratings, certain covenants contained in the indenture will not apply to the notes, and the holders of the notes will lose the protection of these covenants.

The indenture contains certain covenants that will not apply to the notes if, during any future period, the notes are rated investment grade by either Moody s or S&P and the other rating agency has assigned the notes a rating of at least Ba1 in the case of Moody s or BB+ in the case of S&P, provided that at such time no default or event of default has occurred and is continuing. See Description of the Notes Covenant Suspension. These covenants restrict, among other things, our ability to pay dividends, incur additional debt and enter into certain types of transactions. Because we would not be subject to these restrictions during such time that the notes maintain these specified ratings, we would be able to make

dividends and distributions, incur substantial additional debt and enter into certain types of transactions during such period.

Table of Contents

USE OF PROCEEDS

We expect to receive net proceeds from this offering of approximately $737 million, after deducting the underwriting discount and our estimated expenses related to the offering. We intend to use the net proceeds from this offering (i) to repurchase all outstanding shares of our Series A Preferred Stock from Centerbridge for an aggregate purchase price of approximately $471.5 million, plus accrued and unpaid dividends of approximately $3.4 million, (ii) to fund additional common share repurchases under our share repurchase program and (iii) for other general corporate purposes. Dividends on the Series A Preferred Stock are accrued monthly at a rate of 4.0% per annum and are payable in cash as approved by our board of directors.

Table of Contents

CAPITALIZATION

The following table sets forth our cash and cash equivalents and capitalization as of June 30, 2013 on an actual basis and on an as-adjusted basis to give effect to this offering and the repurchase of all of our outstanding shares of Series A Preferred Stock. We have assumed that the estimated net proceeds of this offering after deducting the underwriting discount and our estimated expenses related to the offering will be approximately $737 million.

You should read this information in conjunction with Use of Proceeds included elsewhere in this prospectus supplement and Management s Discussion and Analysis of Financial Condition and Results of Operations and our historical financial statements and related notes contained in our Annual Report on Form 10-K for the year ended December 31, 2012 and our Quarterly Report on Form 10-Q for the quarter ended June 30, 2013, which are incorporated herein by reference.

	As of June 30, 2013	
	Actual	As Adjusted
	(unaudited, in millions)	
Cash and cash equivalents	$ 1,030	$ 1,292
Short-term debt:		
Short-term borrowings	$ 41	$ 41
Current portion of long-term debt	33	33
Total short-term debt	74	74
Long-term debt:		
Revolving Facility(1)		
European Receivables Loan Facility(2)		
5.375% Senior Notes due 2021 offered hereby		450
6.000% Senior Notes due 2023 offered hereby		300
6.50% Senior Notes due 2019	400	400
6.75% Senior Notes due 2021	350	350
Other long-term debt(3)	107	107
Less current portion	(33)	(33)
Total long-term debt, less current portion	824	1,574
Total debt	898	1,648
Equity	1,911	1,439
Total capitalization	$ 2,809	$ 3,087

(1) There were no borrowings under the Revolving Facility at June 30, 2013, but we had utilized $70 million in letters of credit. Based on our borrowing base collateral of $373 million, we had potential availability at June 30, 2013 under the Revolving Facility of $303 million after deducting the outstanding letters of credit.

(2) At June 30, 2013, we had no borrowings under the European Receivables Loan Facility. As of June 30, 2013, we had potential availability of $91 million based on the effective borrowing base.

(3) Other long-term debt includes the embedded lease obligation associated with the accounting for our agreement with SIFCO S.A.

Table of Contents

DESCRIPTION OF OTHER INDEBTEDNESS

As of June 30, 2013, we had $898 million of outstanding indebtedness.

Revolving Facility

On June 20, 2013, we entered into a Second Amended and Restated Revolving Credit and Guaranty Agreement, (the Revolving Facility), with Citibank, N.A., as administrative agent and collateral agent. The Revolving Facility replaced our previous $500 million asset-based revolving credit facility. The Revolving Facility is guaranteed by all of our domestic subsidiaries, except for Dana Credit Corporation and Dana Companies, LLC, and their respective subsidiaries.

The Revolving Facility has a five-year term. Availability under the Revolving Facility is an aggregate amount of $500 million, subject to a borrowing base that is based on a specified percentage of eligible accounts receivable and inventory, reduced for outstanding credit advances or letter of credit issuances (Availability). As of June 30, 2013, no amounts were outstanding under the Revolving Facility, but we had utilized $70 million for letters of credit.

The Revolving Facility bears interest at a floating rate based on, at our option, (A) a Eurodollar rate plus an applicable margin of (i) 1.50%, if Availability is greater than $350 million, (ii) 1.75%, if Availability is greater than $150 million but less than or equal to $350 million and (iii) 2.00%, if Availability is less than or equal to $150 million or (B) a Base Rate plus an applicable margin of (i) 0.50%, if Availability is greater than $350 million, (ii) 0.75%, if Availability is greater than $150 million but less than or equal to $350 million and (iii) 1.00%, if Availability is less than or equal to $150 million. In addition to paying interest on outstanding principal under the Revolving Facility, we will be required to pay a commitment fee to the lenders in respect of the unutilized commitments at an initial rate equal to (i) 0.375% per annum, if the average daily unused portion of the commitment is equal to or greater than 50% of the aggregate commitment or (ii) 0.25% per annum, if the average daily unused portion of the commitment is less than 50% of the aggregate commitments.

The Revolving Facility does not have any financial maintenance covenants, other than a minimum fixed charge coverage ratio of 1.0 to 1.0 that would only apply if we fail to maintain Availability of at least (i) $62.5 million for five consecutive business days or (ii) $50 million for one business day. The Revolving Facility is secured by, among other things, first-priority liens on the following collateral, in each case subject to certain exceptions and permitted liens: (i) all inventory, (ii) all accounts receivable, (iii) certain securities accounts and investment property, (iv) certain deposit accounts and any other deposit accounts subsequently opened for receipt of proceeds from the sale of collateral under the Revolving Facility and (v) certain other related assets including books, records and proceeds from each of the foregoing, in each case subject to certain exceptions. The Revolving Facility requires, under certain circumstances, that the pledgors under the Revolving Facility will grant a second-priority lien on certain other assets and property of such pledgors to the extent such pledgors grant a first-priority lien on such assets and property to any other lenders.

European Receivables Loan Facility

On March 8, 2011, certain of our European subsidiaries entered into a receivables loan facility (the European Receivables Loan Facility) to replace the then-existing European receivables securitization program. The European Receivables Loan Facility provides for a five-year lending facility based on accounts receivable under which 75 million (approximately $98 million at exchange rates as of June 30, 2013) in financing will

be available to an Irish subsidiary of the Company. Advances under the European Receivables Loan Facility will bear interest based on the LIBOR applicable to the currency in which each advance is denominated or 2.5% for base rate loans. The commitment fees on the unused portion of the facility is 0.50% to 0.75% depending on the portion of the facility being used. As of June 30, 2013, we had no borrowings outstanding under the European Receivables Loan Facility and had potential availability of $91 million based on the effective borrowing base.

Table of Contents

Existing Senior Notes

In January 2011, we completed the sale of $750 million in senior unsecured notes, consisting of $400 million in aggregate principal amount of 6.500% Senior Notes due 2019 (the Existing 2019 Notes) and $350 million in aggregate principal amount of 6.750% Senior Notes due 2021 (the Existing 2021 Notes and, together with the Existing 2019 Notes, the existing senior notes). Interest on the existing senior notes is payable on February 15 and August 15 of each year and the Existing 2019 Notes will mature on February 15, 2019 and the Existing 2021 Notes will mature on February 15, 2021.

The existing senior notes are unsecured senior obligations of the Company and rank equally with all of our other unsecured senior indebtedness. The existing senior notes are not guaranteed by any of our subsidiaries. The existing senior notes are effectively subordinated to any of our secured indebtedness, to the extent of the assets securing such indebtedness, and to all of the debt and other liabilities of our subsidiaries.

At any time on or after February 15, 2015, we may redeem some or all of the Existing 2019 Notes at specified redemption prices. At any time on or after February 15, 2016, we may redeem some or all of the Existing 2021 Notes at specified redemption prices. In addition, prior to February 15, 2014, we may redeem up to 35% of original aggregate principal amount of each series of the existing senior notes from the proceeds of certain equity offerings at specified redemption prices. Prior to February 15, 2015, during any 12-month period, we may, at our option, redeem up to 10% of the aggregate principal amount of the Existing 2019 Notes at a redemption price equal to 103% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date. In addition, prior to February 15, 2016, during any 12-month period, we may, at our option, redeem up to 10% of the aggregate principal amount of the Existing 2021 Notes at a redemption price equal to 103% of the aggregate principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date.

Under the terms of the indenture governing the existing senior notes, we, and each of our restricted subsidiaries, are subject to covenants that limit, among other things, our ability to: (i) incur additional debt, (ii) pay dividends and make other restricted payments, (iii) create or permit certain liens, (iv) issue or sell capital stock of restricted subsidiaries, (v) use the proceeds from sales of assets and subsidiary stock, (vi) create or permit restrictions on the ability of our restricted subsidiaries to pay dividends or make other distributions to us, (vii) enter into transactions with affiliates and (viii) consolidate or merge or sell all or substantially all of our assets.

Table of Contents

DESCRIPTION OF THE NOTES

In this Description of the Notes, the term ***Company*** refers only to Dana Holding Corporation and not to any of its Subsidiaries; the terms ***we***, ***our*** and ***us*** refer to Dana Holding Corporation and, where the context so requires, certain or all of its Subsidiaries. The definitions of certain other terms used in this description are set forth throughout the text or under Certain Definitions. None of the Company s Subsidiaries will initially Guarantee the notes and the Company s Subsidiaries will in the future Guarantee the notes only in those limited circumstances described under Certain Covenants Future Subsidiary Guarantors. Each Subsidiary that guarantees the notes is referred to in this section as a ***Subsidiary Guarantor***. Each such Guarantee is termed a ***Note Guarantee***.

We will issue the 5.375% senior notes due 2021 (the ***2021 notes***) and the 6.000% senior notes due 2023 (the ***2023 notes***, and together with the 2021 Notes, the ***notes***) under a base indenture, dated as of January 28, 2011 (the ***Base Indenture***), among the Company and Wells Fargo Bank, National Association, as trustee (the ***Trustee***), as supplemented by the Second Supplemental Indenture, to be dated as of August 2, 2013 (the ***Second Supplemental Indenture*** and together with the Base Indenture, the ***Indenture***). The Indenture contains provisions that define your rights under the notes. In addition, the Indenture governs the obligations of the Company under the notes. The terms of the notes include those stated in the Indenture and those made part of the Indenture by reference to the TIA.

The following description is meant to be only a summary of the provisions of the Indenture that we consider material. It does not restate the terms of the Indenture in their entirety. We have filed a copy of the form of Base Indenture as an exhibit to the Registration Statement of which this prospectus supplement forms a part. We urge that you carefully read the Indenture because the Indenture, and not this description, governs your rights as Holders. You may request copies of the Indenture at our address set forth under the heading Where You Can Find More Information.

Overview of the Notes

The Notes

The notes:

- will be unsecured general obligations of the Company;
- will be senior in right of payment to all future Subordinated Indebtedness of the Company;
- will be effectively junior to all existing and future secured Indebtedness of the Company to the extent of the value of the assets securing such secured Indebtedness; and
- will be structurally subordinated to all existing and future Indebtedness and other liabilities of the Company s Subsidiaries that do not provide Note Guarantees.

General

None of the Company s Subsidiaries will initially Guarantee the notes and the Company s Subsidiaries will in the future Guarantee the notes only in those limited circumstances described under Certain Covenants Future Subsidiary Guarantors. In the event of a bankruptcy, liquidation or reorganization of any non-guarantor Subsidiaries of the Company, such non-guarantor Subsidiaries will be required to repay financial and trade creditors before distributing any assets to the Company or a Subsidiary Guarantor.

As of the Issue Date, all of our Subsidiaries will be Restricted Subsidiaries. However, under the circumstances described below under the caption Certain Covenants Limitation on Designations of Unrestricted Subsidiaries, we will be permitted to designate certain of our Subsidiaries as ***Unrestricted Subsidiaries.*** Unrestricted Subsidiaries will not be subject to any of the restrictive covenants in the Indenture and will not Guarantee the notes.

Table of Contents

In addition, under the Indenture, we also may Incur additional Indebtedness ranking *pari passu* in right of payment with the notes and Indebtedness secured by liens on our property and assets as described below under Certain Covenants Limitation on Incurrence of Additional Indebtedness and Certain Covenants Limitation on Liens.

Principal, Maturity and Interest

We will initially issue the 2021 notes in an aggregate principal amount of $450.0 million. The 2021 notes will mature on September 15, 2021. Each 2021 note we issue will bear interest at a rate of 5.375% per annum beginning on August 2, 2013 or from the most recent date to which interest has been paid or provided for.

We will initially issue the 2023 notes in an aggregate principal amount of $300.0 million. The 2023 notes will mature on September 15, 2023. Each 2023 note we issue will bear interest at a rate of 6.000% per annum beginning on August 2, 2013 or from the most recent date to which interest has been paid or provided for.

The 2021 notes and the 2023 notes are each referred to herein as a series. We will pay interest on each series of notes semiannually to Holders of record at the close of business on the March 1 or September 1 immediately preceding the interest payment date on March 15 and September 15 of each year. The first interest payment date will be March 15, 2014.

We will issue the notes in fully registered form, without coupons, in denominations of $2,000 and any integral multiple of $1,000 in excess thereof.

Indenture May Be Used for Future Issuances

Additional notes of either series having identical terms and conditions to the notes of such series that we are currently offering (the ***Additional Notes***) may be issued under the Indenture from time to time; *provided, however*, that we will only be permitted to issue such Additional Notes if at the time of and after giving effect to such issuance the Company and its Restricted Subsidiaries are in compliance with the covenants contained in the Indenture, including the covenant relating to the Incurrence of additional Indebtedness. To the extent required by applicable tax regulations, Additional Notes that are issued with a given amount of original issue discount may not trade fungibly with other notes, may trade under a separate CUSIP number and may be treated as a separate class for purposes of transfer and exchange. Nevertheless, any Additional Notes subsequently issued under the Indenture will be treated as part of the same issue as the applicable series of notes that we are currently offering and will vote on all matters with such series of notes for all other purposes under the Indenture, including waivers, amendments, redemptions and offers to purchase.

Paying Agent and Registrar

We will pay the principal of, premium, if any, and interest on the notes at any office of ours or any agency designated by us. We have initially designated the corporate trust office of the Trustee to act as the agent of the Company in such matters. The location of the corporate trust office

for payment on the notes is 625 Marquette Avenue, 11th Floor, MAC N9311-110 Minneapolis, MN 55470. However, we reserve the right to pay interest to Holders by check mailed directly to Holders at their registered addresses or, with respect to global notes, by wire transfer.

Holders may exchange or transfer their notes at the same location given in the preceding paragraph. No service charge will be made for any registration of transfer or exchange of notes. However, we may require Holders to pay any transfer tax or other similar governmental charge payable in connection with any such transfer or exchange.

Table of Contents

Optional Redemption

2021 Notes

Except as set forth under this section, we may not redeem the 2021 notes prior to September 15, 2016. After this date, we may redeem the 2021 notes, in whole or in part, on not less than 30 nor more than 60 days prior notice, at the following redemption prices (expressed as percentages of principal amount), plus accrued and unpaid interest to the redemption date (subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date), if redeemed during the 12-month period commencing on September 15 of the years set forth below:

Year	Redemption Price
2016	104.031%
2017	102.688%
2018	101.344%
2019 and thereafter	100.000%

Prior to September 15, 2016, we may, on one or more occasions, also redeem up to a maximum of 35% of the original aggregate principal amount of the 2021 notes (calculated giving effect to any issuance of Additional Notes of such series) with the Net Cash Proceeds of one or more Equity Offerings by the Company, at a redemption price equal to 105.375% of the principal amount thereof, plus accrued and unpaid interest to the redemption date (subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date); *provided, however*, that:

(1) at least 50% of the original aggregate principal amount of the 2021 notes (calculated giving effect to any issuance of Additional Notes of such series) remains outstanding after giving effect to any such redemption; and

(2) any such redemption by the Company must be made within 90 days after the closing of such Equity Offering and must be made in accordance with certain procedures set forth in the Indenture.

In addition, prior to September 15, 2016, we may at our option redeem the 2021 notes, in whole or in part, at a redemption price equal to 100% of the principal amount of the 2021 notes plus the Applicable Premium as of, and accrued and unpaid interest to, the redemption date (subject to the right of Holders on the relevant record date to receive interest due on the relevant interest payment date). Notice of such redemption must be mailed by first-class mail to each Holder s registered address, not less than 30 nor more than 60 days prior to the redemption date.

Applicable Premium means, with respect to a 2021 note at any redemption date, the greater of (1) 1.00% of the principal amount of such note and (2) the excess of (A) the present value at such redemption date of (i) the redemption price of such note on September 15, 2016 (such redemption price being described in the first paragraph in this section exclusive of any accrued interest), plus (ii) all required remaining scheduled interest payments due on such note through September 15, 2016 (but excluding accrued and unpaid interest to the redemption date), computed using a discount rate equal to the Adjusted Treasury Rate, over (B) the principal amount of such note on such redemption date.

Adjusted Treasury Rate means, with respect to any redemption date for the 2021 notes, (1) the yield, under the heading which represents the average for the immediately preceding week, appearing in the most recently published statistical release designated H.15(519) or any successor publication which is published weekly by the Board of Governors of the Federal Reserve System and which establishes yields on actively traded United States Treasury securities adjusted to constant maturity under the caption Treasury Constant Maturities, for the maturity corresponding to the Comparable Treasury Issue (if no maturity is within three months before or after September 15, 2016, yields for the two published maturities most closely corresponding to the Comparable Treasury Issue shall be determined and the Adjusted Treasury Rate shall be interpolated or extrapolated from

Table of Contents

such yields on a straight line basis, rounding to the nearest month) or (2) if such release (or any successor release) is not published during the week preceding the calculation date or does not contain such yields, the rate per year equal to the semiannual equivalent yield to maturity of the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date, in each case calculated on the third Business Day immediately preceding the redemption date, in each case of (1) and (2), plus 0.50%.

Comparable Treasury Issue means, with respect to the 2021 notes, the United States Treasury security selected by the Quotation Agent as having a maturity comparable to the remaining term of the 2021 Notes from the redemption date to September 15, 2016, that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of U.S. Dollar denominated corporate debt securities of a maturity most nearly equal to September 15, 2016.

2023 Notes

Except as set forth under this section, we may not redeem the 2023 notes prior to September 15, 2018. After this date, we may redeem the 2023 notes, in whole or in part, on not less than 30 nor more than 60 days prior notice, at the following redemption prices (expressed as percentages of principal amount), plus accrued and unpaid interest to the redemption date (subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date), if redeemed during the 12-month period commencing on September 15 of the years set forth below:

Year	Redemption Price
2018	103.000%
2019	102.000%
2020	101.000%
2021 and thereafter	100.000%

Prior to September 15, 2016, we may, on one or more occasions, also redeem up to a maximum of 35% of the original aggregate principal amount of the 2023 notes (calculated giving effect to any issuance of Additional Notes of such series) with the Net Cash Proceeds of one or more Equity Offerings by the Company, at a redemption price equal to 106.000% of the principal amount thereof, plus accrued and unpaid interest to the redemption date (subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date); *provided, however*, that:

(1) at least 50% of the original aggregate principal amount of the 2023 notes (calculated giving effect to any issuance of Additional Notes of such series) remains outstanding after giving effect to any such redemption; and

(2) any such redemption by the Company must be made within 90 days after the closing of such Equity Offering and must be made in accordance with certain procedures set forth in the Indenture.

In addition, prior to September 15, 2018, we may at our option redeem the 2023 notes, in whole or in part, at a redemption price equal to 100% of the principal amount of the 2023 notes plus the Applicable Premium as of, and accrued and unpaid interest to, the redemption date (subject to the right of Holders on the relevant record date to receive interest due on the relevant interest payment date). Notice of such redemption must be mailed by first-class mail to each Holder s registered address, not less than 30 nor more than 60 days prior to the redemption date.

Applicable Premium means, with respect to 2023 note at any redemption date, the greater of (1) 1.00% of the principal amount of such note and (2) the excess of (A) the present value at such redemption date of (i) the redemption price of such note on September 15, 2018 (such redemption price being described in the first

Table of Contents

paragraph in this section exclusive of any accrued interest), plus (ii) all required remaining scheduled interest payments due on such note through September 15, 2018 (but excluding accrued and unpaid interest to the redemption date), computed using a discount rate equal to the Adjusted Treasury Rate, over (B) the principal amount of such note on such redemption date.

Adjusted Treasury Rate means, with respect to any redemption date for the 2023 notes, (1) the yield, under the heading which represents the average for the immediately preceding week, appearing in the most recently published statistical release designated H.15(519) or any successor publication which is published weekly by the Board of Governors of the Federal Reserve System and which establishes yields on actively traded United States Treasury securities adjusted to constant maturity under the caption Treasury Constant Maturities, for the maturity corresponding to the Comparable Treasury Issue (if no maturity is within three months before or after September 15, 2018, yields for the two published maturities most closely corresponding to the Comparable Treasury Issue shall be determined and the Adjusted Treasury Rate shall be interpolated or extrapolated from such yields on a straight line basis, rounding to the nearest month) or (2) if such release (or any successor release) is not published during the week preceding the calculation date or does not contain such yields, the rate per year equal to the semiannual equivalent yield to maturity of the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date, in each case calculated on the third Business Day immediately preceding the redemption date, in each case of (1) and (2), plus 0.50%.

Comparable Treasury Issue means, with respect to the 2023 notes, the United States Treasury security selected by the Quotation Agent as having a maturity comparable to the remaining term of the 2023 notes from the redemption date to September 15, 2018, that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of U.S. Dollar denominated corporate debt securities of a maturity most nearly equal to September 15, 2018.

Selection

If we partially redeem any series of notes, the Trustee, subject to the procedures of DTC, will select the notes of such series to be redeemed on a *pro rata* basis, by lot or by such other method as the Trustee in its sole discretion shall deem to be fair and appropriate, although no note of any series less than $2,000 in original principal amount will be redeemed in part. If we redeem any note in part only, the notice of redemption relating to such note shall state the portion of the principal amount thereof to be redeemed. A new note in principal amount equal to the unredeemed portion thereof will be issued in the name of the Holder thereof upon cancellation of the original note. On and after the redemption date, interest will cease to accrue on notes or portions thereof called for redemption so long as we have deposited with the paying agent funds sufficient to pay the principal of the notes to be redeemed, plus accrued and unpaid interest thereon.

Note Guarantees

Any Subsidiary Guarantor, as primary obligor and not merely as surety, will irrevocably and unconditionally Guarantee, jointly and severally with any other Subsidiary Guarantors, on a senior unsecured basis the performance and full and punctual payment when due, whether at Stated Maturity, by acceleration or otherwise, of all obligations of the Company under the Indenture (including obligations to the Trustee) and the notes, whether for payment of principal of or interest on the notes, expenses, indemnification or otherwise (all such obligations guaranteed, if any, by such Subsidiary Guarantors being herein called the ***Guaranteed Obligations***). Each of the Subsidiary Guarantors will agree to pay, in addition to the amount stated above, any and all costs and expenses (including reasonable counsel fees and expenses) Incurred by the Trustee or the Holders in enforcing any rights under the Note Guarantees. Each Note Guarantee will be limited in amount to an amount not to exceed the maximum amount that can be Guaranteed by the applicable Subsidiary Guarantor without rendering the Note Guarantee, as it relates to such Subsidiary Guarantor, voidable under applicable law

Table of Contents

relating to fraudulent conveyance or fraudulent transfer or similar laws affecting the rights of creditors generally. Federal and state statutes allow courts, under specific circumstances, to void a guarantee and the liens securing such guarantee and require noteholders to return payments received from the entity providing such guarantee.

Each Note Guarantee will be a continuing guarantee and shall (a) remain in full force and effect until payment in full of all the Guaranteed Obligations, (b) be binding upon each Subsidiary Guarantor and its successors and (c) inure to the benefit of, and be enforceable by, the Trustee, the Holders and their successors, transferees and assigns.

Change of Control

Upon the occurrence of any of the following events (each a ***Change of Control***), each Holder will have the right to require the Company to purchase all or any part of such Holder s notes at a purchase price in cash equal to 101% of the principal amount thereof plus accrued and unpaid interest to, but excluding, the date of purchase (subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date), except to the extent the Company has previously or concurrently elected to redeem the notes as described under Optional Redemption:

(1) any sale, lease, exchange or other transfer (in one transaction or a series of related transactions) of all or substantially all of the assets of the Company to any Person or group of related Persons for purposes of Section 13(d) of the Exchange Act (a ***Group***), together with any Affiliates thereof (whether or not otherwise in compliance with the provisions of the Indenture);

(2) the approval by the holders of Capital Stock of the Company of any plan or proposal for the liquidation or dissolution of the Company (whether or not otherwise in compliance with the provisions of the Indenture);

(3) any Person or Group shall become the beneficial owner, directly or indirectly, of shares representing more than 50 percent of the aggregate ordinary voting power represented by the issued and outstanding Capital Stock of the Company; or

(4) during any period of two consecutive years, individuals who at the beginning of such period constituted the Board of Directors of the Company (together with any new directors whose election by such Board of Directors or whose nomination for election by the stockholders of the Company was approved pursuant to a vote of a majority of the directors then still in office who were either directors at the beginning of such period or whose election or nomination for election was previously so approved) cease for any reason to constitute a majority of the Board of Directors of the Company then in office.

Within 30 days following any Change of Control, except to the extent that the Company has exercised its right to redeem the notes by delivery of a notice of redemption as described under Optional Redemption, the Company shall mail a notice to each Holder with a copy to the Trustee (the ***Change of Control Offer***), stating:

(1) that a Change of Control has occurred and that such Holder has the right to require the Company to purchase all or a portion of such Holder s notes at a purchase price in cash equal to 101% of the principal amount thereof, plus accrued and unpaid interest to the date of purchase (subject to the right of Holders of record on the relevant record date to receive interest on the relevant interest payment date);

(2) the circumstances and relevant facts regarding such Change of Control;

(3) the purchase date (which shall be no earlier than 30 days nor later than 60 days from the date such notice is mailed); and

(4) the instructions determined by the Company, consistent with this covenant, that a Holder must follow in order to have its notes purchased.

The Company will not be required to make a Change of Control Offer upon a Change of Control if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the Indenture applicable to a Change of Control Offer made by the Company and

purchases all notes validly tendered and not withdrawn under such Change of Control Offer. In addition, the Company will not be required to make a Change of Control Offer upon a Change of Control if the notes have been or are called for redemption by the Company prior to it being required to mail notice of the Change of Control Offer, and thereafter redeems all notes called for redemption in accordance with the terms set forth in such redemption notice. Notwithstanding anything to the contrary contained herein, a revocable Change of Control Offer may be made in advance of a Change of Control, conditioned upon the consummation of such Change of Control, if a definitive agreement is in place for the Change of Control at the time the Change of Control Offer is made.

The Company will comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations in connection with the purchase of notes pursuant to this covenant. To the extent that the provisions of any securities laws or regulations conflict with provisions of this covenant, the Company will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this covenant by virtue thereof.

If Holders of not less than 90% in aggregate principal amount of the outstanding notes validly tender and do not withdraw such notes in a Change of Control Offer and the Company, or any third party making a Change of Control Offer in lieu of the Company as described above, purchases all of the notes validly tendered and not withdrawn by such Holders, the Company or such third party will have the right, upon not less than 30 nor more than 60 days prior notice, given not more than 30 days following such purchase pursuant to the Change of Control Offer described above, to redeem all notes that remain outstanding following such purchase at a price in cash equal to 101% of the principal amount thereof plus accrued and unpaid interest to but excluding the date of redemption.

Notes repurchased by the Company pursuant to a Change of Control Offer will have the status of notes issued but not outstanding or will be retired and cancelled at the option of the Company. Notes purchased by a third party pursuant to the preceding paragraph will have the status of notes issued and outstanding.

The Change of Control purchase feature is a result of negotiations between the Company and the underwriters. Management has no present intention to engage in a transaction involving a Change of Control, although it is possible that the Company would decide to do so in the future. Subject to the limitations discussed below, the Company could, in the future, enter into certain transactions, including acquisitions, refinancings or recapitalizations, that would not constitute a Change of Control under the Indenture, but that could increase the amount of Indebtedness outstanding at such time or otherwise affect the Company s capital structure or credit ratings. Restrictions on the ability of the Company to Incur additional Indebtedness are contained in the covenants described under Certain Covenants Limitation on Incurrence of Additional Indebtedness and Limitation on Liens. However, except for the limitations contained in such covenants, the Indenture does not contain any covenants or provisions that may afford Holders protection in the event of a highly leveraged transaction.

The definition of Change of Control includes a phrase relating to the sale of all or substantially all the assets of the Company (as determined on a consolidated basis). Although there is a developing body of case law interpreting the phrase substantially all, there is no precise established definition of the phrase under New York law. As a consequence, in the event the Holders elected to exercise their rights under the Indenture and the Company elects to contest such election, there could be no assurance how a court interpreting New York law would interpret such phrase. As a result, it may be unclear as to whether a Change of Control has occurred and whether a Holder may require the Company to make an offer to purchase the notes as described above. In addition, Holders may not be entitled to require the Company to repurchase their notes in certain circumstances involving a significant change in the composition of the Board of Directors of the Company, including in connection with a proxy contest, where the Company s Board of Directors does not endorse a dissident slate of directors but approves them for purposes of the Indenture.

Table of Contents

The occurrence of certain of the events which would constitute a Change of Control would constitute a default under the Credit Agreement. Future Indebtedness of the Company may contain prohibitions of certain events which would constitute a Change of Control or require such Indebtedness to be repurchased or repaid upon a Change of Control. Moreover, the exercise by the Holders of their right to require the Company to purchase the notes could cause a default under such Indebtedness, even if the Change of Control itself does not, due to the financial effect of such repurchase on the Company. Finally, the Company s ability to pay cash to the Holders upon a purchase may be limited by the Company s then existing financial resources. There can be no assurance that sufficient funds will be available when necessary to make any required purchases.

The provisions under the Indenture relative to the Company s obligation to make an offer to purchase the notes as a result of a Change of Control may be waived or modified with the written consent of the Holders of a majority in principal amount of the notes.

Certain Covenants

The Indenture will contain, among others, the following covenants:

Limitation on Incurrence of Additional Indebtedness

(a) The Company will not, and will not permit any Restricted Subsidiary to Incur any Indebtedness (other than Permitted Indebtedness); *provided, however*, that if no Default or Event of Default shall have occurred and be continuing at the time of or as a consequence of the Incurrence of any such Indebtedness, the Company or any Subsidiary Guarantor may Incur Indebtedness (including, without limitation, Acquired Indebtedness) if on the date of the Incurrence of such Indebtedness, after giving effect to the Incurrence thereof, the Consolidated Fixed Charge Coverage Ratio of the Company would be at least 2.0 to 1.0.

(b) The first paragraph of this covenant will not prohibit the Incurrence of any of the following items of Indebtedness (collectively, ***Permitted Indebtedness***):

(1) Indebtedness Incurred pursuant to a Credit Facility in an aggregate principal amount at any time outstanding not to exceed the greater of:

(x) $1,250.0 million (reduced by any required permanent repayments with the proceeds of Asset Sales (which are accompanied by a corresponding permanent commitment reduction) thereunder);

(y) the sum of (A) 80 percent of the net book value of the accounts receivable of the Company and the Restricted Subsidiaries and (B) 60 percent of the net book value of the inventory of the Company and the Restricted Subsidiaries; and

(z) an amount of Indebtedness such that, on a *pro forma* basis after giving effect to the Incurrence of such Indebtedness, the Secured Indebtedness Leverage Ratio (with all Indebtedness Incurred under this clause (1) deemed to be secured for this purpose) would not exceed 1.5 to 1.00.

(2) Indebtedness of the Company or any Restricted Subsidiary outstanding on the Issue Date (other than Indebtedness referenced in clauses (1), (3) and (6));

(3) Indebtedness represented by the notes and the related Note Guarantees (other than Additional Notes);

(4) Indebtedness represented by (i) any Sale and Leaseback Transaction or (ii) Capitalized Lease Obligations, mortgage financings or purchase money obligations, in each case in this subclause (ii), Incurred for the purpose of financing all or any part of the purchase price or cost of construction, improvement, repair or replacement of property (real or personal), plant or equipment (whether through the direct purchase of assets or the Capital Stock of any Person owning such assets) used in the business of the Company or such Subsidiary Guarantor (including any reasonably related fees, expenses, taxes or other transaction costs

Table of Contents

Incurred in connection with such acquisition, construction or improvement), in an aggregate amount pursuant to this clause (4), including all Refinancing Indebtedness Incurred to refund, refinance or replace any Indebtedness Incurred pursuant to this clause (4), not to exceed at any time outstanding the greater of $300.0 million and 6.0% of Total Assets;

(5) Refinancing Indebtedness in exchange for, or the net cash proceeds of which are used to refund, refinance or replace Indebtedness that was permitted by the Indenture to be Incurred under the first paragraph of this covenant or clauses (2), (3), (4), (5), (10), (11) or (18) of this paragraph;

(6) the Incurrence by the Company or any Restricted Subsidiary of Indebtedness owing to and held by the Company or any Restricted Subsidiary; *provided, however*, that:

(a) if the Company or any Subsidiary Guarantor is the obligor on such Indebtedness, such Indebtedness must be unsecured and expressly subordinated in right of payment to the prior payment in full in cash of all Obligations with respect to the notes, in the case of the Company, or the Note Guarantee, in the case of a Subsidiary Guarantor; and

(b) (i) any event that results in any such Indebtedness being held by a Person other than the Company or a Restricted Subsidiary (except for any pledge of such Indebtedness constituting a Permitted Lien until the pledgee commences actions to foreclose on such Indebtedness) will be deemed, in each case, to constitute an Incurrence of such Indebtedness by the Company or such Restricted Subsidiary, as the case may be, that was not permitted by this clause (6);

(7) the Guarantee by the Company or any Restricted Subsidiary of Indebtedness of the Company or a Restricted Subsidiary that was permitted to be Incurred by another provision of this covenant;

(8) Hedging Obligations that are not Incurred for speculative purposes;

(9) Indebtedness arising from agreements providing for indemnification, adjustment of purchase price, earn out or similar obligations, or Guarantees or letters of credit, surety bonds or performance bonds securing any obligations of the Company or any Restricted Subsidiary pursuant to such agreements, in any case Incurred in connection with the acquisition or disposition of any business or assets, including the Capital Stock of a Restricted Subsidiary, other than guarantees of Indebtedness Incurred by any Person acquiring all or any portion of such business or assets, including the Capital Stock, for the purpose of financing or in contemplation of any such acquisition;

(10) Indebtedness of a Restricted Subsidiary Incurred and outstanding on or prior to the date on which such Restricted Subsidiary was merged with or into or acquired by the Company or a Restricted Subsidiary (other than Indebtedness Incurred in contemplation of, in connection with, as consideration in, or to provide all or any portion of the funds or credit support utilized to consummate, the transaction or series of related transactions pursuant to which such Restricted Subsidiary became a subsidiary of or was otherwise acquired by the Company); *provided, however*, that, (i) the Company would have been able to Incur $1.00 of additional Indebtedness pursuant to the foregoing paragraph (a) after giving effect to the Incurring of such Indebtedness, pursuant to this clause (10) or (ii) the Consolidated Fixed Charge Coverage Ratio immediately after giving effect to such Incurrence and related transaction would be equal to or greater than such ratio immediately prior to such transaction.

(11) Indebtedness of the Company or a Restricted Subsidiary in an amount, including all Refinancing Indebtedness Incurred to refund, refinance or replace any Indebtedness Incurred pursuant to this clause (11), not to exceed $50.0 million Incurred in contemplation of, in connection with, as consideration in, or to provide all or any portion of the funds or credit support utilized to consummate, the transaction or series of related transactions pursuant to which such Restricted Subsidiary became a Subsidiary of or was otherwise acquired by the Company whether by means of the acquisition of assets or the Capital Stock of such entity or by merger; *provided, however*, that (i) the Company would have been able to Incur $1.00 of additional Indebtedness pursuant to the foregoing paragraph (a) after giving effect to the Incurrence of such Indebtedness pursuant to this clause (11) or (ii) the Consolidated Fixed Charge Coverage Ratio immediately after giving effect to such Incurrence and related transaction would be equal to or greater than such ratio immediately prior to such transaction;

(12) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds in the ordinary course of business, *provided, however*, that such Indebtedness is extinguished within ten Business Days of its Incurrence;

(13) Indebtedness of the Company or any Restricted Subsidiary supported by a letter of credit or bank guarantee issued pursuant to Indebtedness under Credit Facilities, in a principal amount not in excess of the stated amount of such letter of credit;

(14) Indebtedness constituting reimbursement obligations with respect to letters of credit or bankers acceptances issued in the ordinary course of business, including letters of credit in respect of performance, surety or appeal bonds, workers compensation claims, health, disability or other benefits to employees or former employees or their families or property, casualty or liability insurance or self-insurance, and letters of credit in connection with the maintenance of, or pursuant to the requirements of, environmental or other permits or licenses from governmental authorities, or other Indebtedness with respect to reimbursement obligations regarding workers compensation claims;

(15) Indebtedness to the extent the net cash proceeds thereof are promptly deposited to defease or to satisfy and discharge the notes as described under Legal Defeasance and Covenant Defeasance or Satisfaction and Discharge;

(16) Indebtedness in a Qualified Receivables Transaction that is without recourse to the Company or to any other Subsidiary of the Company or their assets (other than a Receivables Entity and its assets and, as to the Company or any Restricted Subsidiary of the Company, other than pursuant to Standard Receivables Undertakings) and is not guaranteed by any such Person;

(17) Indebtedness of Foreign Subsidiaries of the Company in an aggregate principal amount not to exceed the greater of $500.0 million and 15% of Total Foreign Assets at any one time outstanding (it being understood that any Indebtedness incurred pursuant to this clause (17) shall cease to be deemed incurred or outstanding for purposes of this clause (17) but shall be deemed incurred for the purposes of the first paragraph of this covenant from and after the first date on which the Company or such Restricted Subsidiary could have incurred such Indebtedness under the first paragraph of this covenant without reliance upon this clause (17));

(18) additional Indebtedness in an aggregate principal amount (or accreted value, as applicable) at any one time outstanding, including all Refinancing Indebtedness Incurred to refund, refinance or replace any Indebtedness Incurred pursuant to this clause (18), not to exceed the greater of $450.0 million and 7.5% of Total Assets (it being understood that any Indebtedness incurred pursuant to this clause (18) shall cease to be deemed incurred or outstanding for purposes of this clause (18) but shall be deemed incurred for the purposes of the first paragraph of this covenant from and after the first date on which the Company or such Restricted Subsidiary could have incurred such Indebtedness under the first paragraph of this covenant without reliance upon this clause (18));

(19) Indebtedness Incurred on behalf of, or representing guarantees of Indebtedness of, joint ventures of the Company or any Restricted Subsidiary; *provided, however*, that the aggregate principal amount of Indebtedness Incurred under this clause (19), when aggregated with the principal amount of all other Indebtedness then outstanding and Incurred pursuant to this clause (v), does not exceed at any time outstanding the greater of $200.0 million and 3.0% of Total Assets (it being understood that any Indebtedness incurred pursuant to this clause (19) shall cease to be deemed incurred or outstanding for purposes of this clause (19) but shall be deemed incurred for the purposes of the first paragraph of this covenant from and after the first date on which the Company or such Restricted Subsidiary could have incurred such Indebtedness under the first paragraph of this covenant without reliance upon this clause (19));

(20) Guarantees of Indebtedness of suppliers, licensees, franchisees or customers in the ordinary course of business, in an aggregate amount at any time outstanding under this clause (20) not to exceed $100.0 million; or

Table of Contents

(21) Indebtedness consisting of (A) the financing of insurance premiums or (B) take-or-pay obligations contained in supply arrangements, in each case, in the ordinary course of business.

For purposes of determining compliance with this covenant:

(x) in the event that any proposed Indebtedness (or any portion thereof) meets the criteria of more than one of the categories described in clauses (1) through (21) above, or is entitled to be Incurred pursuant to the first paragraph of this covenant, the Company will be permitted to divide, classify, and may later reclassify, such item of Indebtedness or a part thereof in any manner that complies with this covenant and such item of Indebtedness will be treated as having been Incurred pursuant to one or more such clauses or pursuant to the first paragraph hereof; and

(y) at the time of Incurrence, the Company will be entitled to divide and classify, and later reclassify, an item of Indebtedness in more than one of the types of Indebtedness described in the first paragraph of this covenant and clauses (1) through (21) above without giving *pro forma* effect to the Indebtedness Incurred on such date of Incurrence pursuant to clauses (1) through (21) (or any portion thereof) when calculating the amount of Indebtedness that may be Incurred pursuant to the first paragraph of this covenant.

Notwithstanding the foregoing, Indebtedness under the Credit Agreement outstanding on the Issue Date will be deemed to have been Incurred on such date in reliance on the exception provided by clause (1) above.

For purposes of determining compliance with any U.S. dollar-denominated restriction on the Incurrence of Indebtedness, the U.S. dollar equivalent principal amount of Indebtedness denominated in a foreign currency shall be calculated based on the relevant currency exchange rate in effect on the date such Indebtedness was Incurred (or first committed, in the case of revolving credit debt); *provided* that if such Indebtedness is Incurred to refinance other Indebtedness denominated in a foreign currency, and such refinancing would cause the applicable U.S. dollar-denominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such refinancing, such U.S. dollar-denominated restriction shall be deemed not to have been exceeded so long as the principal amount of such refinancing Indebtedness does not exceed the principal amount of such Indebtedness being refinanced.

The principal amount of any Indebtedness Incurred to refinance other Indebtedness, if Incurred in a different currency from the Indebtedness being refinanced, shall be calculated based on the currency exchange rate applicable to the currencies in which such respective Indebtedness is denominated that is in effect on the date of such refinancing.

Neither the Company nor any Subsidiary Guarantors will Incur or suffer to exist any Indebtedness that is subordinated in right of payment to any other Indebtedness of the Company or such Subsidiary Guarantors, as the case may be, unless such Indebtedness is at least equally subordinated in right of payment to the notes and any Note Guarantee. For purposes of the foregoing, no Indebtedness will be deemed to be subordinated in right of payment to any other Indebtedness of the Company or any Subsidiary Guarantor, as applicable, solely by reason of any Liens or Guarantees arising or created in respect thereof or by virtue of the fact that the holders of any secured Indebtedness have entered into intercreditor agreements giving one or more of such holders priority over the other holders in the collateral held by them.

Limitation on Restricted Payments

The Company will not, and will not cause or permit any Restricted Subsidiary to, directly or indirectly:

(a) declare or pay any dividend or make any distribution (other than dividends or distributions payable in Qualified Capital Stock of the Company) on or in respect of shares of its Capital Stock to holders of such Capital Stock other than the Company or any of its Restricted Subsidiaries;

(b) purchase, redeem or otherwise acquire or retire for value any Capital Stock of the Company;

Table of Contents

(c) make any principal payment on, or purchase, redeem, defease, retire or otherwise acquire for value, prior to any scheduled principal payment, sinking fund or maturity, any Subordinated Indebtedness (other than the principal payment on, or the purchase, redemption, defeasance, retirement or other acquisition for value of, (i) Subordinated Indebtedness made in satisfaction of or anticipation of satisfying a sinking fund obligation, principal installment or final maturity within one year of the due date of such obligation, installment or final maturity) and (ii) Indebtedness permitted under clause (b)(6) of the covenant described under Limitation on Incurrence of Additional Indebtedness; or

(d) make any Investment (other than Permitted Investments)

(each of the foregoing actions set forth in clauses (a), (b), (c) and (d) being referred to as a ***Restricted Payment***), if at the time of such Restricted Payment or immediately after giving effect thereto:

(1) a Default or an Event of Default shall have occurred and be continuing;

(2) the Company is not able to Incur at least $1.00 of additional Indebtedness (other than Permitted Indebtedness) in compliance with the covenant described under Limitation on Incurrence of Additional Indebtedness; or

(3) the aggregate amount of Restricted Payments (including such proposed Restricted Payment) made after the Issue Date (the amount expended for such purpose, if other than in cash, being the Fair Market Value of such property as determined reasonably and in good faith by the Board of Directors of the Company) shall exceed the sum of:

(a) 50 percent of the cumulative Consolidated Net Income (or if cumulative Consolidated Net Income shall be a loss, minus 100 percent of such loss) of the Company earned during the period beginning on the first day of the fiscal quarter commencing on July 1, 2013 and through the end of the most recent fiscal quarter for which financial statements are available prior to the date such Restricted Payment occurs (the ***Reference Date***) (treating such period as a single accounting period); plus

(b) the aggregate net cash proceeds received by the Company from any Person (other than a Subsidiary of the Company) since the Issue Date as a contribution to its common equity capital or from the issuance and sale of Qualified Capital Stock of the Company or from the issuance of Indebtedness of the Company subsequent to the Issue Date that has been converted into or exchanged for Qualified Capital Stock of the Company on or prior to the Reference Date; plus

(c) an amount equal to the sum of (1) the net reduction in the Investments (other than Permitted Investments) made by the Company or any Restricted Subsidiary in any Person after the Issue Date resulting from repurchases, repayments or redemptions of such Investments by such Person, proceeds realized on the sale of such Investment and proceeds representing the return of capital, in each case received by the Company or any Restricted Subsidiary and (2) the amount of any Guarantee or similar arrangement that has terminated or expired or by which it has been reduced to the extent that it was treated as a Restricted Payment after the Issue Date that reduced the amount available under this clause (1) or clause (9) of the next paragraph net of any amounts paid by the Company or a Restricted Subsidiary in respect of such Guarantee or similar arrangement; *provided, however*, that the amounts set forth in clauses (1) and (2) above shall not exceed, in the case of any such Person, the amount of Investments (excluding Permitted Investments) previously made and treated as a Restricted Payment by the Company or any Restricted Subsidiary after the Issue Date that reduced the amount available under this clause (3) or (9) of the next paragraph in such Person or Unrestricted Subsidiary.

Notwithstanding the foregoing, the provisions set forth in the immediately preceding paragraph do not prohibit:

(1) the payment of any dividend or the consummation of any irrevocable redemption within 60 days after the date of declaration of such dividend or giving notice of such redemption, as the case may be, if the dividend or redemption would have been permitted on the date of declaration or notice;

(2) a Restricted Payment, either (i) solely in exchange for shares of Qualified Capital Stock of the Company or (ii) through the application of net proceeds of a substantially concurrent sale for cash (other than to a Subsidiary of the Company) of shares of Qualified Capital Stock of the Company or substantially concurrent cash contribution to the common equity of the Company;

(3) so long as no Default or Event of Default shall have occurred and be continuing, repurchases, redemptions or other acquisitions of Capital Stock (or rights or options therefor) of the Company from current or former officers, directors, employees or consultants or their respective estates, spouses, former spouses or family members pursuant to equity ownership or compensation plans or stockholders agreements not to exceed $50.0 million in the aggregate subsequent to the Issue Date;

(4) dividends and distributions paid on Common Stock of a Restricted Subsidiary on a *pro rata* basis or on a basis more favorable to the Company;

(5) any purchase or redemption of Subordinated Indebtedness utilizing any Net Cash Proceeds remaining after the Company has complied with the requirements of the covenants described under Limitation on Asset Sales and Change of Control;

(6) the declaration and payment of dividends to holders of any class or series of Disqualified Capital Stock of the Company or Disqualified Capital Stock or Preferred Stock of any Restricted Subsidiary issued in accordance with the covenant described under Limitation on the Incurrence of Additional Indebtedness; *provided* that such dividends are included in Consolidated Fixed Charges; and payment of any mandatory redemption price or liquidation value of any such Disqualified Capital Stock or Preferred Stock when due in accordance with its terms in effect upon the issuance of such Disqualified Capital Stock or Preferred Stock;

(7) any purchase, redemption, defeasance, retirement, payment or prepayment of principal of Subordinated Indebtedness either (i) solely in exchange for shares of Qualified Capital Stock of the Company, (ii) through the application of net proceeds of a substantially concurrent sale for cash (other than to a Subsidiary of the Company) of shares of Qualified Capital Stock of the Company or (iii) Refinancing Indebtedness;

(8) repurchases of Capital Stock deemed to occur upon the exercise of stock options if the Capital Stock represents all or a portion of the exercise price thereof (or related withholding taxes), and Restricted Payments by the Company to allow the payment of cash in lieu of the issuance of fractional shares upon the exercise of options or warrants or upon the conversion or exchange of Capital Stock of the Company;

(9) purchases of receivables pursuant to a Receivables Repurchase Obligation in connection with a Qualified Receivables Financing and the payment and distribution of related fees;

(10) Restricted Payments if, at the time of making such payments, and after giving effect thereto (including, without limitation, the Incurrence of any Indebtedness to finance such payment), the Total Leverage Ratio would not exceed 3.75 to 1.00; *provided, however*, that at the time of each such Restricted Payment, no Default or Event of Default shall have occurred and be continuing (or result therefrom); and

(11) other Restricted Payments in an amount not to exceed the greater of (a) $500.0 million and (b) 7.5% of Total Assets in the aggregate since the Issue Date.

In determining the aggregate amount of Restricted Payments made subsequent to the Issue Date in accordance with clause (3) of the first paragraph of this covenant Limitation on Restricted Payments, only amounts expended pursuant to clauses (1), 2(ii), (7)(ii), (10) and (11) shall be included in such calculation.

Limitation on Asset Sales

The Company will not, and will not permit any Restricted Subsidiary to, consummate an Asset Sale unless:

(1) the Company or the applicable Restricted Subsidiary, as the case may be, receives consideration at the time of such Asset Sale at least equal to the Fair Market Value of the assets sold or otherwise disposed of;

Table of Contents

(2) at least 75 percent of the consideration received by the Company or the Restricted Subsidiary, as the case may be, from such Asset Sale shall be in the form of cash or Cash Equivalents and is received at the time of such disposition; *provided* that for purposes of this clause (2) only, (A) the assumption by the purchaser of Indebtedness or other obligations (other than Subordinated Indebtedness or intercompany obligations) that releases the Company or a Restricted Subsidiary from future liability pursuant to a customary written novation agreement, (B) instruments or securities received from the purchaser that are promptly, but in any event within 180 days of the closing, converted by the Company to cash, to the extent of the cash actually so received, (C) the Fair Market Value of any Replacement Assets received by the Company or any Restricted Subsidiary and (D) any Designated Non-cash Consideration received by the Company or any of its Restricted Subsidiaries in such Asset Sale having an aggregate Fair Market Value, taken together with all other Designated Non-cash Consideration received pursuant to this clause (D) that is at that time outstanding, not to exceed the greater of (x) $150.0 million (with the Fair Market Value of each item of Designated Non-cash Consideration being measured at the time received and without giving effect to subsequent changes in value) and (y) 2.0% of Total Assets shall be deemed to be Cash Equivalents for purposes of this provision; and

(3) upon the consummation of an Asset Sale, the Company shall apply, or cause such Restricted Subsidiary to apply, the Net Cash Proceeds relating to such Asset Sale within 365 days after receipt thereof either (A) to prepay any secured Indebtedness of the Company or a Restricted Subsidiary and, in the case of any such Indebtedness under any revolving credit facility, effect a permanent reduction in the availability under such revolving credit facility (or effect a permanent reduction in availability under such revolving credit facility, regardless of the fact that no prepayment is required), (B) to acquire Replacement Assets or (C) a combination of prepayment and investment permitted by the foregoing clauses (3)(A) and (3)(B).

Pending the final application of the Net Cash Proceeds, the Company and the Restricted Subsidiaries may invest such Net Cash Proceeds in any manner not prohibited by the Indenture.

On the 366th day after an Asset Sale or such earlier date, if any (each, a ***Net Proceeds Offer Trigger Date***), as the Board of Directors of the Company or of such Restricted Subsidiary determines not to apply the Net Cash Proceeds relating to such Asset Sale as set forth in the first paragraph under this ***Limitation on Asset Sales,*** such aggregate amount of Net Cash Proceeds (each, a ***Net Proceeds Offer Amount***) which have not been applied on or before Trigger Date as permitted in the preceding paragraph shall be applied by the Company to make an offer to purchase (the ***Net Proceeds Offer***) on a date (the ***Net Proceeds Offer Payment Date***) not less than 30 nor more than 60 days following the applicable Net Proceeds Offer Trigger Date, from all holders on a *pro rata* basis, that principal amount of notes equal to the Net Proceeds Offer Amount at a price equal to 100 percent of the principal amount of the notes to be purchased, plus accrued and unpaid interest, if any, thereon to the date of purchase; *provided, however*, that if the Company elects (or is required by the terms of any Indebtedness that ranks *pari passu* with the notes), such Net Proceeds Offer may be made ratably to purchase the notes and such *pari passu* Indebtedness.

If at any time any non-cash consideration received by the Company or any Restricted Subsidiary, as the case may be, in connection with any Asset Sale is converted into or sold or otherwise disposed of for cash (other than interest received with respect to any such non-cash consideration) or Cash Equivalents, then such conversion or disposition shall be deemed to constitute an Asset Sale hereunder and the Net Cash Proceeds thereof shall be applied in accordance with this covenant.

The Company may defer the Net Proceeds Offer until there is an aggregate unutilized Net Proceeds Offer Amount equal to or in excess of $50.0 million resulting from one or more Asset Sales or deemed Asset Sales (at which time, the entire unutilized Net Proceeds Offer Amount, and not just the amount in excess of $50.0 million, shall be applied as required pursuant to this paragraph). The first such date the aggregate unutilized Net Proceeds Offer Amount is equal to or in excess of $50.0 million shall be treated for this purpose as the Net Proceeds Offer Trigger Date.

Notice of each Net Proceeds Offer will be mailed to the record holders as shown on the register of holders within 30 days following the Net Proceeds Offer Trigger Date, with a copy to the Trustee, and shall comply with

Table of Contents

the procedures set forth in the Indenture. Upon receiving notice of the Net Proceeds Offer, holders may elect to tender their notes in whole or in part in denominations of $2,000 and integral multiples of $1,000 in excess thereof for cash. To the extent holders properly tender notes in an amount exceeding the Net Proceeds Offer Amount, notes of tendering holders will be purchased on a *pro rata* basis (based on amounts tendered). To the extent that the aggregate amount of the notes tendered pursuant to a Net Proceeds Offer is less than the Net Proceeds Offer Amount, the Company may use such excess Net Proceeds Offer Amount for general corporate purpose or for any other purposes not prohibited by the Indenture. Upon completion of any such Net Proceeds Offer, the Net Proceeds Offer Amount shall be reset to zero. A Net Proceeds Offer shall remain open for a period of at least 20 business days or such longer period as may be required by law.

The Company will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations to the extent such laws and regulations are applicable in connection with the repurchase of notes pursuant to a Net Proceeds Offer. To the extent that the provisions of any securities laws or regulations conflict with the Asset Sale provisions of the Indenture, the Company shall comply with the applicable securities laws and regulations and shall not be deemed to have breached its obligations under the Asset Sale provisions of the Indenture by virtue thereof.

Limitation on Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries

The Company will not, and will not cause or permit any Restricted Subsidiary to, directly or indirectly, create or otherwise cause or permit to exist or become effective any consensual encumbrance or restriction on the ability of any Restricted Subsidiary to:

(a) pay dividends or make any other distributions on or in respect of its Capital Stock;

(b) make loans or advances or to pay any Indebtedness or other obligation owed to the Company or any other Restricted Subsidiary; or

(c) transfer any of its property or assets to the Company or any other Restricted Subsidiary;

except for such encumbrances or restrictions existing under or by reason of:

(1) applicable law, rule, regulation or order;

(2) the Indenture;

(3) the Credit Agreement and/or the documentation for the Credit Agreement;

(4) customary provisions contained in leases, licenses and other similar agreements entered into in the ordinary course of business, including customary non-assignment provisions of any contract or any lease governing a leasehold interest;

(5) any instrument governing Acquired Indebtedness, which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person or the properties or assets of the Person so acquired;

(6) agreements existing on the Issue Date to the extent and in the manner such agreements are in effect on the Issue Date;

(7) any other agreement entered into after the Issue Date which contains encumbrances and restrictions which are not materially more restrictive with respect to any Restricted Subsidiary than those in effect with respect to such Restricted Subsidiary pursuant to agreements as in effect on the Issue Date;

(8) any instrument governing Indebtedness of a Foreign Subsidiary;

(9) a security agreement governing a Lien permitted under the Indenture containing customary restrictions on the transfer of any property or assets;

(10) secured Indebtedness otherwise permitted to be Incurred pursuant to the covenants described under Limitation on Incurrence of Additional Indebtedness and Limitation on Liens that limit the right of the debtor to dispose of the assets securing such Indebtedness;

Table of Contents

(11) any agreement governing the sale or disposition of any Restricted Subsidiary which restricts dividends and distributions of such Restricted Subsidiary pending such sale or disposition;

(12) customary provisions in partnership agreements, limited liability company organizational governance documents, joint venture and other similar agreements entered into in the ordinary course of business that restrict the transfer of ownership interests in such partnership, limited liability company, joint venture or similar Person;

(13) purchase money obligations for property acquired and Capitalized Lease Obligations in the ordinary course of business that impose restrictions of the nature discussed in clause (c) of the first paragraph above on the property so acquired;

(14) restrictions on cash or other deposits or net worth imposed by customers, suppliers or landlords under contracts entered into in the ordinary course of business;

(15) customary restrictions pursuant to any Qualified Receivables Transaction;

(16) existing pursuant to provisions in instruments governing other Indebtedness of Restricted Subsidiaries permitted to be Incurred after the Issue Date; *provided* that (i) such provisions are customary for instruments of such type (as determined in good faith by the Company s Board of Directors) and (ii) the Company s Board of Directors determines in good faith that such restrictions will not materially adversely impact the ability of the Company to make required principal and interest payments on the notes;

(17) any encumbrances or restrictions imposed by any amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings of the contracts, instruments or obligations referred to in clauses (2), (3), (5), (6) and (7) above; *provided* that such amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings are, in the good faith judgment of the Company, no more restrictive with respect to such dividend restrictions and other encumbrances than those contained prior to such amendment, modification, restatement, renewal, increase, supplement, refunding, replacement or refinancing; and

(18) restrictions or conditions contained in any trading, netting, operating, construction, service, supply, purchase or other agreement to which the Company or any of its Restricted Subsidiaries is a party entered into in the ordinary course of business; *provided* that such agreement prohibits the encumbrance of solely the property or assets of the Company or such Restricted Subsidiary that are the subject of such agreement, the payment rights arising thereunder or the proceeds thereof and does not extend to any other asset or property of the Company or such Restricted Subsidiary or the assets or property of any other Restricted Subsidiary.

For purposes of determining compliance with this covenant, (i) the priority of any Preferred Stock in receiving dividends or liquidating distributions prior to dividends or liquidating distributions being paid on common stock shall not be deemed a restriction on the ability to make distributions on Capital Stock and (ii) the subordination of loans or advances made to the Company or a Restricted Subsidiary of the Company to other Indebtedness Incurred by the Company or any such Restricted Subsidiary shall not be deemed a restriction on the ability to make loans or advances.

Future Subsidiary Guarantors

If, on or after the Issue Date, any Restricted Subsidiary that is not a Subsidiary Guarantor Guarantees any capital markets Indebtedness of the Company or a Subsidiary Guarantor (other than Indebtedness owing to the Company or a Restricted Subsidiary) then the Company shall cause such Restricted Subsidiary, to:

(1) execute and deliver to the Trustee a supplemental indenture in form reasonably satisfactory to the Trustee pursuant to which such Restricted Subsidiary, shall unconditionally Guarantee all of the Company s obligations under the notes and the Indenture on the terms set forth in the Indenture; and

Table of Contents

(2) execute and deliver to the Trustee an opinion of counsel (which may contain customary exceptions) that such supplemental indenture has been duly authorized, executed and delivered by such Restricted Subsidiary and constitutes a legal, valid, binding and enforceable obligation of such Restricted Subsidiary.

Thereafter, such Restricted Subsidiary shall be a Subsidiary Guarantor for all purposes of the Indenture. The Company may cause any other Restricted Subsidiary of the Company to issue a Note Guarantee and become a Subsidiary Guarantor.

If the Guaranteed Indebtedness is *pari passu* with the notes, then the Guarantee of such Guaranteed Indebtedness shall be *pari passu* with the Note Guarantee. If the Guaranteed Indebtedness is subordinated to the notes, then the Guarantee of such Guaranteed Indebtedness shall be subordinated to the Note Guarantee at least to the extent that the Guaranteed Indebtedness is subordinated to the notes.

A Note Guarantee of a Subsidiary Guarantor will automatically terminate and be released without any action required on the part of the Trustee or any holder of the notes upon:

(1) a sale or other disposition (including by way of consolidation or merger) of such Subsidiary Guarantor after which such Subsidiary Guarantor is no longer a Subsidiary of the Company or the sale or disposition of all or substantially all the assets of such Subsidiary Guarantor (other than to the Company or a Subsidiary or an Affiliate of the Company) otherwise permitted by the Indenture;

(2) such Subsidiary Guarantor s becoming an Unrestricted Subsidiary in accordance with the terms of the Indenture;

(3) the release or discharge of the Guarantee or security that enabled the creation of such Note Guarantee and all other Guarantees of Indebtedness of the Company by such Subsidiary Guarantor; *provided* that no Default or Event of Default has occurred and is continuing or would result therefrom; or

(4) the legal defeasance or covenant defeasance in accordance with terms of the Indenture or the satisfaction and discharge of the Indenture.

Each Note Guarantee will be limited in amount to an amount not to exceed the maximum amount that can be Guaranteed by the applicable Subsidiary Guarantor without rendering the Note Guarantee, as it relates to such Subsidiary Guarantor, voidable under applicable law relating to fraudulent conveyance or fraudulent transfer or similar laws affecting the rights of creditors generally.

The Company shall notify the Trustee and the Holders if the Note Guarantee of any Subsidiary Guarantor is released. The Trustee shall execute and deliver an appropriate instrument confirming the release of any such Subsidiary Guarantor upon written request of the Company as provided in the Indenture.

At the Company s written request, the Trustee will execute and deliver any instrument evidencing such release. A Subsidiary Guarantor may also be released from its obligation under its Note Guarantee in connection with a permitted amendment. See Modification of the Indenture.

Limitation on Liens

The Company will not, and will not cause or permit any Restricted Subsidiary to, directly or indirectly, create, Incur, assume or permit or suffer to exist any Liens of any kind against or upon any property or assets of the Company or any Restricted Subsidiary, whether now owned or hereafter acquired, or any proceeds therefrom, or assign or otherwise convey any right to receive income or profits therefrom unless:

(1) in the case of Liens securing Indebtedness that is expressly subordinate or junior in right of payment to the notes or a Note Guarantee, the notes or such Note Guarantee is secured by a Lien on such property, assets or proceeds that is senior in priority to such Liens; and

(2) in all other cases, the notes are equally and ratably secured, except for:

(A) Liens existing as of the Issue Date to the extent and in the manner such Liens are in effect on the Issue Date;

Table of Contents

(B) Liens securing the notes or any Note Guarantee;

(C) Liens in favor of the Company or any Subsidiary Guarantor;

(D) Liens securing Refinancing Indebtedness which is Incurred to Refinance any Indebtedness (including, without limitation, Acquired Indebtedness) which has been secured by a Lien permitted under the Indenture and which has been Incurred in accordance with the provisions of the Indenture; *provided, however*, that such Liens:

(I) are no less favorable to holders of the notes and are not more favorable to the lienholders with respect to such Liens than the Liens in respect of the Indebtedness being Refinanced; and

(II) do not extend to or cover any property or assets of the Company or any of its Restricted Subsidiaries not securing the Indebtedness so Refinanced; and

(E) Permitted Liens.

For purposes of determining compliance with this covenant, (A) a Lien securing an item of Indebtedness need not be permitted solely by reference to one category of permitted Liens (or any portion thereof) described in the definition of Permitted Liens but may be permitted in part under any combination thereof and (B) in the event that a Lien securing an item of Indebtedness (or any portion thereof) meets the criteria of one or more of the categories of permitted Liens (or any portion thereof) described in the definition of Permitted Liens, the Company may, in its sole discretion, classify or reclassify, or later divide, classify or reclassify, such Lien securing such item of Indebtedness (or any portion thereof) in any manner that complies with this covenant.

With respect to any Lien securing Indebtedness that was permitted to secure such Indebtedness at the time of the Incurrence of such Indebtedness, such Lien shall also be permitted to secure any Increased Amount of such Indebtedness. The Increased Amount of any Indebtedness shall mean any increase in the amount of such Indebtedness in connection with any accrual of interest, the accretion of accreted value, the amortization of original issue discount, the payment of interest in the form of additional Indebtedness with the same terms or in the form of common stock of the Company, the payment of dividends on Preferred Stock in the form of additional shares of Preferred Stock of the same class, accretion of original issue discount or liquidation preference and increases in the amount of Indebtedness outstanding solely as a result of fluctuations in the exchange rate of currencies or increases in the value of property securing Indebtedness.

Merger, Consolidation and Sale of Assets

The Company will not, in a single transaction or series of related transactions, consolidate or merge with or into any Person, or sell, assign, transfer, lease, convey or otherwise dispose of (or cause or permit any Restricted Subsidiary to sell, assign, transfer, lease, convey or otherwise dispose of) all or substantially all of the Company s assets (determined on a consolidated basis for the Company and the Restricted Subsidiaries) whether as an entirety or substantially as an entirety to any Person unless:

(1) either (A) the Company shall be the surviving or continuing corporation or (B) the Person (if other than the Company) formed by such consolidation or into which the Company is merged or the Person which acquires by sale, assignment, transfer, lease, conveyance or other disposition the properties and assets of the Company and the Restricted Subsidiaries substantially as an entirety (the ***Surviving Entity***) (y) shall be a corporation organized and validly existing under the laws of the United States or any State thereof or the District of Columbia and (z) shall expressly assume, by supplemental indenture (in form and substance satisfactory to the Trustee), executed and delivered to the Trustee, the due and punctual payment of the principal of, and premium, if any, and interest on all of the notes and the performance of every covenant of the notes and the Indenture on the part of the Company to be performed or observed;

(2) immediately after giving effect to such transaction on a *pro forma* basis and the assumption contemplated by clause (1)(B)(y) above (including giving effect to any Indebtedness and Acquired Indebtedness Incurred or anticipated to be Incurred in connection with or in respect of such transaction),

Table of Contents

(A) the Company or such Surviving Entity, as the case may be, shall be able to Incur at least $1.00 of additional Indebtedness (other than Permitted Indebtedness) pursuant to the covenant described under Limitation on Incurrence of Additional Indebtedness or (B) the Consolidated Fixed Charge Coverage Ratio of the Company or the Surviving Entity, as the case may be, is greater than such ratio immediately prior to such transaction; *provided, however*, that this clause shall not be effective during any Suspension Period as described under Covenant Suspension;

(3) immediately before and immediately after giving effect to such transaction and the assumption contemplated by clause (1)(B)(y) above (including, without limitation, giving effect to any Indebtedness and Acquired Indebtedness Incurred or anticipated to be Incurred and any Lien granted or to be released in connection with or in respect of the transaction), no Default or Event of Default shall have occurred and be continuing; and

(4) the Company or the Surviving Entity shall have delivered to the Trustee an officers certificate and an opinion of counsel, each stating that such consolidation, merger, sale, assignment, transfer, lease, conveyance or other disposition and, if a supplemental indenture is required in connection with such transaction, such supplemental indenture comply with the applicable provisions of the Indenture and that all conditions precedent in the Indenture relating to such transaction have been satisfied;

provided that clauses (2) and (3) do not apply to the consolidation or merger of the Company with or into, or the sale by the Company of all or substantially all its assets to, a Wholly Owned Restricted Subsidiary or the consolidation or merger of a Wholly Owned Restricted Subsidiary with or into, or the sale by such Subsidiary of all or substantially all of its assets to, the Company.

For purposes of the foregoing, the transfer (by lease, assignment, sale or otherwise, in a single transaction or series of transactions) of all or substantially all of the properties or assets of one or more Restricted Subsidiaries, the Capital Stock of which constitutes all or substantially all of the properties and assets of the Company, shall be deemed to be the transfer of all or substantially all of the properties and assets of the Company.

The Indenture will provide that upon any consolidation, combination or merger or any transfer of all or substantially all of the assets of the Company in accordance with the foregoing in which the Company is not the continuing corporation, the successor Person formed by such consolidation or into which the Company is merged or to which such conveyance, lease or transfer is made shall succeed to, and be substituted for, and may exercise every right and power of, the Company under the Indenture and the notes with the same effect as if such surviving entity had been named as such.

No Subsidiary Guarantor (other than any Subsidiary Guarantor whose Note Guarantee is to be released in accordance with the terms of the Note Guarantee and Indenture in connection with any transaction complying with the provisions of the covenant described under Limitation on Asset Sales) will, and the Company will not cause or permit any Subsidiary Guarantor to, consolidate with or merge with or into any Person other than the Company or any other Subsidiary Guarantor unless:

(1) (A) either (x) the Subsidiary Guarantor is the continuing Person or (y) the resulting, surviving or transferee Person is a corporation organized and existing under the laws of the United States or any State thereof or the District of Columbia or the jurisdiction of such Subsidiary Guarantor and expressly assumes by supplemental indenture all of the obligations of the Subsidiary Guarantor under its Note Guarantee; and

(B) immediately after giving effect to the transaction, no Default has occurred and is continuing; or

(2) the transaction constitutes a sale or other disposition (including by way of consolidation or merger) of the Subsidiary Guarantor or the sale or disposition of all or substantially all the assets of the Subsidiary Guarantor (in each case other than to the Company or a Restricted Subsidiary) otherwise permitted by the Indenture.

Table of Contents

Limitation on Transactions with Affiliates

(a) The Company will not, and will not permit any Restricted Subsidiary to, directly or indirectly, enter into or permit to exist any transaction or series of related transactions (including, without limitation, the purchase, sale, lease or exchange of any property or the rendering of any service) with, or for the benefit of, any of its Affiliates (each an ***Affiliate Transaction***) involving aggregate payment or consideration in excess of $25.0 million, other than:

(x) Affiliate Transactions permitted under paragraph (b) below; and

(y) Affiliate Transactions on terms that are not materially less favorable than those that would have reasonably been expected in a comparable transaction at such time on an arm s-length basis from a Person that is not an Affiliate of the Company or such Restricted Subsidiary.

All Affiliate Transactions (and each series of related Affiliate Transactions which are similar or part of a common plan) involving aggregate payments or other property with a Fair Market Value in excess of $50.0 million shall be approved by the Board of Directors of the Company or such Restricted Subsidiary, as the case may be, such approval to be evidenced by a Board Resolution stating that such Board of Directors has determined that such transaction complies with the foregoing provisions. If the Company or any Restricted Subsidiary enters into an Affiliate Transaction (or series of related Affiliate Transactions related to a common plan) on or after the Issue Date that involves an aggregate Fair Market Value of more than $150.0 million, the Company or such Restricted Subsidiary, as the case may be, shall, prior to the consummation thereof, obtain a favorable opinion as to the fairness of such transaction or series of related transactions to the Company or the relevant Restricted Subsidiary, as the case may be, from a financial point of view, from an Independent Financial Advisor and file the same with the Trustee.

(b) The restrictions set forth in paragraph (a) shall not apply to:

(1) employment, consulting, service, severance, termination and compensation arrangements and agreements of the Company or any Restricted Subsidiary (including amounts paid pursuant to employee benefit plans, employee stock options, or similar plans) consistent with past practice or approved by a majority of the disinterested members of the Board of Directors (or a committee comprised of disinterested directors);

(2) reasonable fees and compensation paid to, indemnity provided on behalf of, and expenses reimbursed to, officers, directors, employees, consultants or agents of the Company or any Restricted Subsidiary as determined in good faith by the Company s Board of Directors or senior management;

(3) payments or loans (or cancellation of loans) to officers, directors, employees or consultants that are approved by a majority of the Board of Directors of the Company in good faith;

(4) transactions exclusively between or among the Company and any Restricted Subsidiary or exclusively between or among such Restricted Subsidiaries; *provided* that such transactions are not otherwise prohibited by the Indenture;

(5) Restricted Payments, Permitted Investments (other than clauses (1) or (2) thereof) or transaction involving Permitted Liens, in each case permitted by the Indenture;

(6) transactions pursuant to any contract or agreement in effect on the Issue Date, as amended, modified or replaced from time to time so long as the amended, modified or replacements, taken as a whole, are no less favorable to the Company and its Restricted Subsidiaries than those in effect on the Issue Date;

(7) the entering into of a customary agreement providing registration rights to the direct or indirect shareholders of the Company and the performance of such agreements;

(8) the issuance of Capital Stock (other than Disqualified Capital Stock) of the Company to any Person or any transaction with an Affiliate where the only consideration paid by the Company or any Restricted Subsidiary is Capital Stock (other than Disqualified Capital Stock) or any contribution to the common equity capital of the Company;

Table of Contents

(9) pledges of Capital Stock of Unrestricted Subsidiaries;

(10) sales of Receivables Assets, or participations therein, or any related transaction, in connection with any Qualified Receivables Transaction;

(11) (A) transactions with customers, clients, suppliers or purchasers or sellers of goods or services, or transactions otherwise relating to the purchase or sale of goods or services, in each case in the ordinary course of business and otherwise in compliance with the terms of the Indenture, (B) transactions with joint ventures or Unrestricted Subsidiaries entered into in the ordinary course of business and consistent with past practice or industry norm or (C) any management services or support agreement entered into on terms consistent with past practice, in each of clauses (A), (B) and (C) that are fair to the Company or its Restricted Subsidiaries in the good faith determination of the Company s Board of Directors or are on terms at least as favorable as might reasonably have been obtained at such time from an unaffiliated party;

(12) transactions between the Company or any of its Restricted Subsidiaries and any Person that is an Affiliate solely because one or more of its directors is also a director of the Company or any direct or indirect parent of the Company; *provided* that such director abstains from voting as a director of the Company or such direct or indirect parent, as the case may be, on any matter involving such other Person;

(13) transactions with a Person that is an Affiliate of the Company solely because the Company, directly or indirectly, owns Capital Stock in, or controls, such Person;

(14) commission, payroll, travel and similar advances to officers and employees of the Company or any of its Restricted Subsidiaries made consistent with past practices;

(15) transactions permitted by, and complying with, the provisions of the covenant described under Merger, Consolidation and Sale of Assets; or

(16) the formation and maintenance of any consolidated group or subgroup for tax, accounting or cash pooling or management purposes in the ordinary course of business or other transactions undertaken for the purpose of the consolidated tax efficiency of the Company and its Subsidiaries and not for the purposes of circumventing any covenants set forth in the indenture; *provided* that the Board of Directors determines in good faith that the formation and maintenance of such group or subgroup is in the best interests of the Company and will not result in the Company and the Restricted Subsidiaries paying taxes in excess of the tax liability that would have been payable by them on a stand-alone basis.

Limitation on Designations of Unrestricted Subsidiaries

The Company may, on or after the Issue Date, designate any Subsidiary of the Company (other than a Subsidiary of the Company which owns Capital Stock of a Restricted Subsidiary or is a Subsidiary Guarantor) as an Unrestricted Subsidiary under the Indenture (a ***Designation***) only if:

(1) no Default or Event of Default shall have occurred and be continuing at the time of or after giving effect to such Designation; and

(2) the Company would be permitted under the Indenture to make an Investment at the time of Designation (assuming the effectiveness of such Designation) in an amount (the ***Designation Amount***) equal to the sum of (A) the Fair Market Value of the Capital Stock of such Subsidiary owned by the Company and/or any of the Restricted Subsidiaries on such date and (B) the aggregate amount of Indebtedness of such Subsidiary owed to the Company and the Restricted Subsidiaries on such date.

In the event of any such Designation, the Company shall be deemed to have made an Investment constituting a Restricted Payment in the Designation Amount pursuant to the covenant described under Limitation on Restricted Payments for all purposes of the Indenture.

Table of Contents

The Indenture will further provide that the Company may revoke any Designation of a Subsidiary as an Unrestricted Subsidiary (***Revocation***), whereupon such Subsidiary shall then constitute a Restricted Subsidiary, if:

(1) no Default or Event of Default shall have occurred and be continuing at the time and after giving effect to such Revocation; and

(2) all Liens, Indebtedness and Investments of such Unrestricted Subsidiaries outstanding immediately following such Revocation would, if Incurred at such time, have been permitted to be Incurred for all purposes of the Indenture.

All Designations and Revocations must be evidenced by an officers certificate of the Company delivered to the Trustee certifying compliance with the foregoing provisions.

Reports to Holders

Notwithstanding that the Company may not be subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act, to the extent permitted by the Exchange Act, the Company will file with the Commission, and provide to the Trustee and the holders of the notes, the annual reports and the information, documents and other reports (or copies of such portions of any of the foregoing as the Commission may by rules and regulations prescribe) that are specified in Sections 13 and 15(d) of the Exchange Act within the time periods required; *provided, however*, that availability of the foregoing materials on the Commission s EDGAR service shall be deemed to satisfy the Company s delivery obligations under this provision; *provided, further*, that the Trustee shall have no liability or responsibility whatsoever to determine if such materials have been so made available. In the event that the Company is not permitted to file such reports, documents and information with the Commission pursuant to the Exchange Act, the Company will nevertheless provide such Exchange Act information to the Trustee and the holders of the notes as if the Company were subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act within the time periods required by law.

Notwithstanding anything herein to the contrary, the Company will not be deemed to have failed to comply with any of its obligations hereunder for purposes of clause (3) under Events of Default until 90 days after the date any report hereunder is due.

Covenant Suspension

Beginning on the date (the ***Suspension Date***) that (i) the notes have been assigned an Investment Grade Rating from one of the Rating Agencies and a rating from the other Rating Agency of at least Ba1 in the case of Moody s or BB+ in the case of S&P and (ii) no Default or Event of Default has occurred and is continuing under the Indenture, and ending on the date (the ***Reversion Date***) that either Rating Agency (or both Rating Agencies) downgrades the rating assigned by it to the notes below the Investment Grade Rating or the other specified rating, as applicable, or a Default or Event of Default has occurred and is continuing (such period of time from and including the Suspension Date to but excluding the Reversion Date, the ***Suspension Period***), the Company and its Restricted Subsidiaries will not be subject to the provisions of the Indenture described above under the following headings under the caption Certain Covenants:

Limitation on Incurrence of Additional Indebtedness,

Limitation on Restricted Payments,

Limitation on Asset Sales,

Limitation on Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries,

Limitation on Transactions with Affiliates,

Future Subsidiary Guarantors,

Table of Contents

Limitation on Issuances of Capital Stock of Restricted Subsidiaries, and

clause (2) of the first paragraph under the caption Merger, Consolidation and Sale of Assets (collectively, the ***Suspended Covenants***).

In addition, the Company may elect to suspend the Note Guarantees.

Notwithstanding the foregoing, the Company and the Restricted Subsidiaries will remain subject to the provisions of the Indenture described above under the caption Change of Control and under the following headings under the caption Certain Covenants:

Limitation on Liens,

Merger, Consolidation and Sale of Assets (except to the extent set forth in the prior paragraph),

Limitation on Designations of Unrestricted Subsidiaries, and

Reports to Holders.

During any Suspension Period, the Company s Board of Directors may not designate any of the Company s Subsidiaries as Unrestricted Subsidiaries.

On the Reversion Date, all Indebtedness Incurred and Disqualified Capital Stock and Preferred Stock issued during the Suspension Period will be deemed to have been outstanding on the Issue Date, so that it is classified as permitted under clause (2) of the definition of Permitted Indebtedness.

Calculations made after the Reversion Date of the amount available to be made as Restricted Payments under Certain Covenants Limitation on Restricted Payments will be made as though the covenant described under Certain Covenants Limitation on Restricted Payments had been in effect since the Issue Date and throughout the Suspension Period. Accordingly, Restricted Payments made during the Suspension Period will reduce the amount available to be made as Restricted Payments under the first paragraph of Certain Covenants Limitation on Restricted Payments.

For purposes of the covenant described under Limitation on Asset Sales, on the Suspension Date, the Net Cash Proceeds amount will be reset to zero.

Notwithstanding the reinstatement of the Suspended Covenants on the Reversion Date, neither (a) the continued existence, on and after the Reversion Date, of facts and circumstances or obligations that occurred, were Incurred or otherwise came into existence during a Suspension Period nor (b) the performance thereof, shall constitute a breach of any Suspended Covenant set forth in the Indenture or cause a Default or Event of Default thereunder; *provided, however*, that (i) the Company and the Restricted Subsidiaries did not Incur or otherwise cause such facts and circumstances or obligations to exist in anticipation of a withdrawal or downgrade by either Rating Agency (or both Rating Agencies) of its Investment Grade Rating on the notes and (ii) the Company reasonably believed that such Incurrence or actions would not result in such withdrawal or downgrade.

There can be no assurance that the notes will ever achieve or maintain Investment Grade Ratings.

Events of Default

Each of the following is an ***Event of Default*** with respect to each series of notes:

(1) the failure to pay interest on the notes of such series when the same becomes due and payable and the default continues for a period of 30 days;

(2) the failure to pay the principal on any note of such series when such principal becomes due and payable, at maturity, upon redemption or otherwise (including the failure to make a payment to purchase notes tendered pursuant to a Change of Control Offer or a Net Proceeds Offer);

Table of Contents

(3) a default by the Company or any Restricted Subsidiary in the observance or performance of any other covenant or agreement contained in the Indenture which default continues for a period of 60 days after the Company receives written notice specifying the default from the Trustee or the holders of at least 25 percent of the outstanding principal amount of the notes (except in the case of a default with respect to the covenant described under Certain Covenants Merger, Consolidation and Sale of Assets, which will constitute an Event of Default with such notice requirement but without such passage of time requirement);

(4) a default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness of the Company or of any Restricted Subsidiary (or the payment of which is guaranteed by the Company or any Restricted Subsidiary), whether such Indebtedness now exists or is created after the Issue Date, which default (A) is caused by a failure to pay principal of such Indebtedness after any applicable grace period provided in such Indebtedness on the date of such default (a payment default) or (B) results in the acceleration of such Indebtedness prior to its express maturity (and such acceleration is not rescinded, or such Indebtedness is not repaid, within 60 days) and, in each case, the principal amount of any such Indebtedness, together with the principal amount of any other such Indebtedness under which there has been a payment default or the maturity of which has been so accelerated, exceeds $100.0 million or more at any time;

(5) one or more judgments in an aggregate amount in excess of $100.0 million not covered by adequate insurance (other than self-insurance) shall have been rendered against the Company or any of the Restricted Subsidiaries and such judgments remain undischarged, unpaid or unstayed for a period of 60 days after such judgment or judgments become final and nonappealable;

(6) certain events of bankruptcy affecting the Company or any of its Significant Subsidiaries; or

(7) any Note Guarantee of a Significant Subsidiary of the Company ceases to be in full force and effect or any Guarantee of such a Significant Subsidiary is declared to be null and void and unenforceable or any Note Guarantee of such a Significant Subsidiary is found to be invalid or any Subsidiary Guarantor which is such a Significant Subsidiary denies its liability under its Note Guarantee (other than by reason of release of such Subsidiary Guarantor in accordance with the terms of the Indenture).

If an Event of Default (other than an Event of Default specified in clause (6) above) shall occur and be continuing, the Trustee or the holders of at least 25 percent in principal amount of the outstanding notes of any series may declare the principal of, premium, if any, and accrued interest on all the notes of such series to be due and payable by notice in writing to the Company (and to the Trustee if given by the holders) specifying the respective Event of Default and that it is a notice of acceleration, and the same shall become immediately due and payable. If an Event of Default specified in clause (6) above occurs and is continuing, then all unpaid principal of, premium, if any, and accrued and unpaid interest on all of the outstanding notes shall ipso facto become and be immediately due and payable without any declaration or other act on the part of the Trustee or any holder.

The Indenture will provide that, at any time after a declaration of acceleration with respect to the notes of any series as described in the preceding paragraph, the holders of a majority in principal amount of the then outstanding notes of such series may rescind and cancel such declaration and its consequences:

(1) if the rescission would not conflict with any judgment or decree;

(2) if all existing Events of Default have been cured or waived except nonpayment of principal or interest that has become due solely because of the acceleration; and

(3) in the event of the cure or waiver of an Event of Default of the type described in clause (6) of the description above of Events of Default, the Trustee shall have received an officers certificate and an opinion of counsel that such Event of Default has been cured or waived.

No such rescission shall affect any subsequent Default or Event of Default or impair any right consequent thereto.

Table of Contents

The holders of a majority in principal amount of the then outstanding notes of any series may waive any existing Default or Event of Default under the Indenture with respect to such series, and its consequences, except a default in the payment of the principal of or premium, if any, or interest on the notes of such series.

Holders of the notes may not enforce the Indenture or the notes except as provided in the Indenture and under the TIA. Subject to the provisions of the Indenture relating to the duties of the Trustee, the Trustee is under no obligation to exercise any of its rights or powers under the Indenture at the request, order or direction of any of the holders, unless such holders have offered to the Trustee indemnity satisfactory to it. Subject to all provisions of the Indenture and applicable law, the holders of a majority in aggregate principal amount of the then outstanding notes of any series 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.

Under the Indenture, the Company will be required to provide an officers certificate to the Trustee promptly upon the Company obtaining knowledge of any Default or Event of Default (*provided* that the Company shall provide such certification at least annually whether or not it knows of any Default or Event of Default) that has occurred and, if applicable, describe such Default or Event of Default and the status thereof.

Legal Defeasance and Covenant Defeasance

The Company may, at its option and at any time, elect to have its obligations and the obligations of any note Guarantor discharged with respect to the outstanding notes of any series (***Legal Defeasance***). Such Legal Defeasance means that the Company shall be deemed to have paid and discharged the entire Indebtedness represented by the outstanding notes of such series, except for:

(1) the rights of Holders to receive payments in respect of the principal of, premium, if any, and interest on the notes of such series, when such payments are due;

(2) the Company s obligations with respect to the notes of such series, concerning issuing temporary notes, registration of notes, mutilated, destroyed, lost or stolen notes and the maintenance of an office or agency for payments;

(3) the rights, powers, trust, duties and immunities of the Trustee and the Company s obligations in connection therewith; and

(4) the Legal Defeasance provisions of the Indenture.

In addition, the Company may, at its option and at any time, elect to have the obligations of the Company released with respect to certain covenants that are described in the Indenture (***Covenant Defeasance***) for any series of notes and thereafter any omission or failure to comply with such obligations shall not constitute a Default or Event of Default with respect to the notes of such series. In the event Covenant Defeasance occurs, certain events (not including nonpayment, bankruptcy, receivership, reorganization and insolvency events) described under Events of Default will no longer constitute an Event of Default with respect to the notes of such series.

In order to exercise Legal Defeasance or Covenant Defeasance with respect to a series of notes:

(1) the Company must irrevocably deposit with the Trustee, in trust, for the benefit of the holders cash in U.S. dollars, non-callable U.S. government obligations, or a combination thereof, in such amounts as will be sufficient, in the opinion of a nationally recognized firm of independent public accountants selected by the Company, to pay the principal of, premium, if any, and interest on the notes of such series on the stated date of payment thereof or on the applicable redemption date, as the case may be;

(2) in the case of Legal Defeasance, the Company shall have delivered to the Trustee an opinion of counsel in the United States reasonably acceptable to the Trustee confirming that (A) the Company has received from, or there has been published by, the Internal Revenue Service a ruling or (B) since the date of

Table of Contents

the Indenture, there has been a change in the applicable federal income tax law, in either case to the effect that, and based thereon such opinion of counsel shall confirm that, the Holders will not recognize income, gain or loss for federal income tax purposes as a result of such Legal Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(3) in the case of Covenant Defeasance, the Company shall have delivered to the Trustee an opinion of counsel in the United States reasonably acceptable to the Trustee confirming that the holders of such series will not recognize income, gain or loss for federal income tax purposes as a result of such Covenant Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(4) no Default or Event of Default shall have occurred and be continuing on the date of such deposit or insofar as Events of Default from bankruptcy or insolvency events are concerned, at any time in the period ending on the 91st day after the date of deposit;

(5) such Legal Defeasance or Covenant Defeasance shall not result in a breach or violation of or constitute a default under the Indenture or any other material agreement or instrument to which the Company or any of its Subsidiaries is a party or by which the Company or any of its Subsidiaries is bound;

(6) the Company shall have delivered to the Trustee an officers certificate stating that the deposit was not made by the Company with the intent of preferring the holders over any other creditors of the Company or with the intent of defeating, hindering, delaying or defrauding any other creditors of the Company or others;

(7) the Company shall have delivered to the Trustee an officers certificate and an opinion of counsel, each stating that all conditions precedent provided for or relating to the Legal Defeasance or the Covenant Defeasance have been complied with;

(8) the Company shall have delivered to the Trustee an opinion of counsel to the effect that after the 91st day following the deposit, the trust funds will not be subject to the effect of any applicable bankruptcy, insolvency, reorganization or similar laws affecting creditors rights generally; and

(9) certain other customary conditions precedent are satisfied.

Satisfaction and Discharge

The Indenture will be discharged with respect to any series of notes and will cease to be of further effect (except as to surviving rights and registration of transfer or exchange of the notes, as expressly provided for in the Indenture) as to all outstanding notes of such series when:

(1) either (a) all the notes of such series theretofore authenticated and delivered (except lost, stolen or destroyed notes which have been replaced or paid and notes for whose payment money has theretofore been deposited in trust or segregated and held in trust by the Company and thereafter repaid to the Company or discharged from such trust) have been delivered to the Trustee for cancellation or (b) all notes of such series not theretofore delivered to the Trustee for cancellation have (i) become due and payable, (ii) will become due and payable at their stated maturity within one year or (iii) are to be called for redemption within one year under arrangements satisfactory to the Trustee, and the Company has irrevocably deposited or caused to be deposited with the Trustee funds in an amount sufficient to pay and discharge the entire Indebtedness on the notes of such series not theretofore delivered to the Trustee for cancellation, for principal of, premium, if any, and interest on the notes of such series to the date of deposit together with irrevocable instructions from the Company directing the Trustee to apply such funds to the payment thereof at maturity or redemption, as the case may be;

(2) the Company and/or the Subsidiary Guarantors have paid all other sums payable under the Indenture, including amounts owing to the Trustee, with respect to such series;

Table of Contents

(3) the Company has delivered to the Trustee an officers certificate and an opinion of counsel stating that all conditions precedent under the Indenture relating to the satisfaction and discharge of the Indenture with respect to such series have been complied with; and

(4) there exists no Default or Event of Default under the Indenture.

Modification of the Indenture

From time to time, the Company, any Subsidiary Guarantor and the Trustee, without the consent of the holders, may amend the Indenture for certain specified purposes, including:

(1) cure any ambiguity, omission, defect or inconsistency;

(2) provide for the assumption by a successor corporation of the obligations of the Company or any Subsidiary Guarantor under the Indenture;

(3) provide for uncertificated notes in addition to or in place of certificated notes (*provided, however*, that the uncertificated notes are issued in registered form for purposes of Section 163(f) of the Code, or in a manner such that the uncertificated notes are described in Section 163(f)(2)(B) of the Code);

(4) to provide for any Guarantee of the notes, to secure the notes or to confirm and evidence the release, termination or discharge of any Guarantee of or Lien securing the notes when such release, termination or discharge is permitted by the Indenture;

(5) add to the covenants of the Company for the benefit of the Holders of notes or to surrender any right or power conferred upon the Company;

(6) make any change that does not adversely affect the rights of any Holder in any material respect;

(7) make any amendment to the provisions of the Indenture relating to the form, authentication, transfer and legending of notes; *provided, however*, that

(A) compliance with the Indenture as so amended would not result in notes being transferred in violation of the Securities Act or any other applicable securities law and

(B) such amendment does not materially affect the rights of Holders to transfer notes;

(8) comply with any requirement of the SEC in connection with the qualification of the Indenture under the TIA;

(9) convey, transfer, assign, mortgage or pledge as security for the notes any property or assets in accordance with the covenant described under Certain Covenants Limitation on Liens. The consent of the Holders will not be necessary to approve the particular form of any proposed amendment. It will be sufficient if such consent approves the substance of the proposed amendment;

(10) to evidence and provide for the acceptance of an appointment hereunder by a successor Trustee; or

(11) to conform to the Description of the Notes in this prospectus supplement, as set forth in an officers certificate delivered to the Trustee.

After an amendment becomes effective, the Company is required to mail to Holders a notice briefly describing such amendment. However, the failure to give such notice to all Holders, or any defect therein, will not impair or affect the validity of the amendment.

Other modifications and amendments of the Indenture or of any series of notes may be made with the consent of the holders of a majority in principal amount of the then outstanding notes of the applicable series issued under the Indenture, except that, without the consent of each holder affected thereby, no amendment may:

(1) reduce the amount of notes whose holders must consent to an amendment;

(2) reduce the rate of or change the time for payment of interest, including defaulted interest, on any notes;

Table of Contents

(3) reduce the principal of or change or have the effect of changing the fixed maturity of any notes; or change the date on which any notes may be subject to redemption or reduce the redemption price therefor;

(4) make any notes payable in money other than that stated in the notes;

(5) make any change in provisions of the Indenture protecting the right of each holder to receive payment of principal of, premium, if any, and interest on such notes on or after the stated due date thereof or to bring suit to enforce such payment, or permitting holders of a majority in principal amount of the then outstanding notes to waive Defaults or Events of Default;

(6) amend, change or modify in any material respect the obligation of the Company to make and consummate a Change of Control Offer after the occurrence of a Change of Control or make and consummate a Net Proceeds Offer with respect to any Asset Sale that has been consummated or modify any of the provisions or definitions with respect thereto;

(7) modify or change any provision of the Indenture or the related definitions affecting the ranking of the notes or any Note Guarantee in a manner which adversely affects the holders; or

(8) release any Subsidiary Guarantor from any of its obligations under its Note Guarantee or the Indenture otherwise than in accordance with the terms of the Indenture.

The consent of the holders is not necessary under the Indenture to approve the particular form of any proposed amendment. It is sufficient if such consent approves the substance of the proposed amendment.

Governing Law

The Indenture will provide that it, the notes and any Notes Guarantees will be governed by, and construed in accordance with, the laws of the State of New York.

The Trustee

The Indenture will provide that, except during the continuance of an Event of Default known to the Trustee, the Trustee will perform only such duties as are specifically set forth in the Indenture. During the existence of an Event of Default, the Trustee will exercise such rights and powers vested in it by the 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 its own affairs.

The Indenture and the provisions of the TIA contain certain limitations on the rights of the Trustee, should it become a creditor of the Company, to obtain payments of claims in certain cases or to realize on certain property received in respect of any such claim as security or otherwise. Subject to the TIA, the Trustee will be permitted to engage in other transactions; *provided* that if the Trustee acquires any conflicting interest as described in the TIA, it must eliminate such conflict or resign.

Certain Definitions

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

Acquired Indebtedness means Indebtedness of a Person or any of its Subsidiaries existing at the time such Person becomes a Restricted Subsidiary or at the time it merges or consolidates with the Company or any of the Restricted Subsidiaries or assumed by the Company or any Restricted Subsidiary in connection with the acquisition of assets from such Person and in each case not Incurred by such Person in connection with, or in anticipation or contemplation of, such Person becoming a Restricted Subsidiary or such acquisition, merger or consolidation.

Table of Contents

Additional Notes has the meaning set forth under Overview of the Notes Indenture May be Used for Future Issuances.

Affiliate means, with respect to any specified Person, any other Person who directly or indirectly through one or more intermediaries controls, or is controlled by, or is under common control with, such specified Person. The term control means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise; and the terms controlling and controlled have meanings correlative of the foregoing.

Affiliate Transaction has the meaning set forth under Certain Covenants Limitation on Transactions with Affiliates.

Asset Acquisition means (1) an Investment by the Company or any Restricted Subsidiary in any other Person pursuant to which such Person shall become a Restricted Subsidiary, or shall be merged with or into the Company or any Restricted Subsidiary, or (2) the acquisition by the Company or any Restricted Subsidiary of the assets of any Person (other than a Restricted Subsidiary) which constitute all or substantially all of the assets of such Person or comprise any division or line of business of such Person or any other properties or assets of such Person other than in the ordinary course of business.

Asset Sale means any direct or indirect sale, issuance, conveyance, lease (other than operating leases entered into in the ordinary course of business), assignment or other transfer (other than the granting of a Lien in accordance with the Indenture) for value by the Company or any of the Restricted Subsidiaries (including any Sale and Leaseback Transaction) to any Person other than the Company or a Restricted Subsidiary of (a) any Capital Stock of any Restricted Subsidiary; or (b) any other property or assets of the Company or any Restricted Subsidiary other than in the ordinary course of business; *provided, however*, that Asset Sales shall not include:

(1) a transaction or series of related transactions for which the Company or the Restricted Subsidiaries receive aggregate consideration of less than $30.0 million;

(2) the sale, lease, conveyance, disposition or other transfer of all or substantially all of the assets of the Company as permitted by the covenant described under Certain Covenants Merger, Consolidation and Sale of Assets;

(3) any Restricted Payment made in accordance with the covenant described under Certain Covenants Limitation on Restricted Payments or a Permitted Investment;

(4) sales or contributions of accounts receivable and related assets pursuant to a Qualified Receivables Transaction made in accordance with the covenant described under Certain Covenants Limitation on Incurrence of Additional Indebtedness;

(5) the disposition by the Company or any Restricted Subsidiary in the ordinary course of business of (i) cash and Cash Equivalents, (ii) inventory and other assets acquired and held for resale in the ordinary course of business, (iii) damaged, worn out or obsolete assets or assets that, in the Company s reasonable judgment, are no longer used or useful in the business of the Company or its Restricted Subsidiaries, or (iv) rights granted to others pursuant to leases or licenses, to the extent not materially interfering with the operations of the Company or its

Restricted Subsidiaries;

(6) the sale or discount of accounts receivable in connection with the compromise or collection thereof arising in the ordinary course of business or in bankruptcy of a similar proceeding;

(7) the granting of a Lien in accordance with the Indenture;

(8) the licensing of patents, trademarks, know-how or any other intellectual property to third Persons in the ordinary course of business consistent with past practice; *provided* that such licensing does not materially interfere with the business of the Company or any of its Restricted Subsidiaries;

Table of Contents

(9) to the extent allowable under Section 1031 of the Internal Revenue Code of 1986, any exchange of like property (excluding any boot thereon);

(10) the unwinding of any Hedging Obligations;

(11) any exchange of assets (including a combination of assets and Cash Equivalents) for assets of comparable or greater market value or usefulness to the business of the Company and the Restricted Subsidiaries as a whole, as determined in good faith by the Company;

(12) foreclosure or any similar action with respect to any property or other asset of the Company or any of the Restricted Subsidiaries;

(13) any disposition of Capital Stock in, or Indebtedness or other securities of, an Unrestricted Subsidiary;

(14) any swap of assets, or lease, assignment or sublease of any real or personal property, in exchange for services (including in connection with any outsourcing arrangements) of comparable or greater value or usefulness to the business of the Company and the Restricted Subsidiaries as a whole, as determined in good faith by the Company;

(15) any financing transaction with respect to property built or acquired by the Company or any Restricted Subsidiary after the Issue Date, including any Sale/Leaseback Transaction or asset securitization permitted by the indenture;

(16) any surrender or waiver of contract rights pursuant to a settlement, release, recovery on or surrender of contract, tort or other claims of any kind; or

(17) any disposition of Capital Stock of a Restricted Subsidiary pursuant to an agreement or other obligation with or to a Person (other than the Company or a Restricted Subsidiary) from whom such Restricted Subsidiary was acquired or from whom such Restricted Subsidiary acquired its business and assets (having been newly formed in connection with such acquisition), made as part of such acquisition and in each case comprising all or a portion of the consideration in respect of such sale or acquisition.

Board of Directors means, as to any Person, the board of directors of such Person or any duly authorized committee thereof.

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

Capital Stock means (1) with respect to any Person that is a corporation, any and all shares, interests, participations or other equivalents (however designated and whether or not voting) of corporate stock, including each class of Common Stock and Preferred Stock of such Person, and (2) with respect to any Person that is not a corporation, any and all partnership or other equity interests of such Person.

Capitalized Lease Obligations means, as to any Person, the obligations of such Person under a lease that are required to be classified and accounted for as capital lease obligations under GAAP and, for purposes of this definition, the amount of such obligations at any date shall be the capitalized amount of such obligations at such date, determined in accordance with GAAP.

Cash Equivalents means:

(1) marketable direct obligations issued by, or unconditionally guaranteed by, the United States Government or issued by any agency thereof and backed by the full faith and credit of the United States, in each case maturing within one year from the date of acquisition thereof;

Table of Contents

(2) marketable direct obligations issued by any state of the United States of America or any political subdivision of any such state or any public instrumentality thereof maturing within one year from the date of acquisition thereof and, at the time of acquisition, having one of the two highest ratings obtainable from either S&P or Moody s;

(3) commercial paper maturing no more than one year from the date of creation thereof and, at the time of acquisition, having a rating of at least A-2 from S&P or at least P-2 from Moody s;

(4) demand and time deposit accounts, certificates of deposit or bankers acceptances maturing within one year from the date of acquisition thereof issued by any bank organized under the laws of the United States of America or any state thereof or the District of Columbia or any U.S. branch of a foreign bank having at the date of acquisition thereof combined capital and surplus of not less than $250.0 million;

(5) repurchase obligations with a term of not more than seven days for underlying securities of the types described in clause (1) above entered into with any bank meeting the qualifications specified in clause (4) above;

(6) investments in money market funds which invest substantially all their assets in securities of the types described in clauses (1) through (5) above;

(7) investments in money market funds subject to the risk limiting conditions of Rule 2a-7 or any successor rule of the Commission under the Investment Company Act of 1940, as amended; and

(8