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The notes are unsecured and subordinated in right of payment to all of our existing and future senior indebtedness. In the event of our bankruptcy, liquidation or reorganization or upon acceleration of the notes due to an event of default under the indenture and in certain other events, our assets will be available to pay obligations on the notes only after all senior indebtedness has been paid. As a result, there may not be sufficient

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offer to acquire, 20% or more of our outstanding common stock. The rights have some anti-takeover effects and generally will cause substantial dilution to a person or group that attempts to acquire control of us without conditioning the offer on either redemption of the rights or amendment of the rights to prevent this dilution. The rights could have the effect of delaying, deferring or preventing a change of control. Please read Description of Capital Stock -Rights Agreement.

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a limited purpose trust company organized under the laws of the State of New York, and member of the Federal Reserve System;

a clearing corporation within the meaning of the Uniform Commercial Code; and

a clearing agency registered under the provisions of Section 17A of the Securities Exchange Act of 1934, as amended.

DTC was created to hold securities for its participants and to facilitate the clearance and settlement of securities transactions between participants through electronic book-entry changes to the accounts of its participants. Participants include securities brokers, dealers, banks, trust companies and clearing corporations and other organizations. Some of the participants or their representatives, together with other entities, own DTC.

trustee must eliminate such conflict or resign.

Governing Law

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

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Delaware law does not require stockholder approval for any issuance of authorized shares. However, the listing requirements of the New York Stock Exchange, which would apply so long as the common stock remains listed on the New York Stock Exchange, require stockholder approval of certain issuances equal to or exceeding 20% of the then outstanding voting power or the then outstanding number of shares of common stock. These additional shares may be used for a variety of corporate purposes, including future public offerings to raise additional capital or to facilitate acquisitions.

One of the effects of the existence of unissued and unreserved common stock and preferred stock may be to enable our Board of Directors to issue shares to persons friendly to current management, which issuance could render more difficult or discourage an attempt to obtain control of us by means of a merger, tender offer, proxy contest or otherwise, and thereby protect the continuity of our management and possibly deprive the stockholders of opportunities to sell their shares of common stock at prices higher than prevailing market prices.

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MATERIAL UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS

General

The following is a discussion of the material U.S. federal income tax considerations relating to the purchase, ownership and disposition of the notes and the ownership and disposition of the common stock into which the notes may be converted. This discussion is based on the Internal Revenue Code of 1986, as amended to the date hereof (the "Code"), final and temporary Treasury regulations, rulings and judicial decisions now in effect, all of which are subject to change or differing interpretations possibly with retroactive effect. In such event, the U.S. federal income tax consequences of purchasing, owning or disposing of the notes, or the common stock acquired upon conversion of the notes, could differ from those described in this discussion. We have not sought any ruling from the Internal Revenue Service (the "IRS") with respect to the conclusions reached in the following discussion, and there can be no assurance that the IRS will not challenge one or more of the conclusions described herein.

This discussion is limited to holders who hold the notes and common stock into which the notes may be converted as capital assets and who acquire the notes from a selling securityholder as described under "Selling Securityholders" under an offering of such notes under this prospectus in the first sale of such notes by such selling securityholder after the notes are first registered with the SEC. This discussion does not address tax considerations applicable to a holder's particular circumstances, including holders who sell short our common stock in negotiated transactions with us, or to holders that may be subject to special tax rules, such as banks or other financial institutions, holders subject to the alternative minimum tax, partnerships or other entities classified as partnerships for U.S. federal income tax purposes, and persons holding through such entities, tax-exempt organizations, insurance companies, regulated investment companies, dealers in securities, traders in securities that elect to use the mark-to-market method of accounting, dealers in commodities or currencies, U.S. Holders whose functional currency is not the U.S. dollar, holders that will hold the notes as a position in a hedging transaction, "straddle" or conversion transaction for tax purposes or persons deemed to sell the notes or the common stock under the constructive sale provisions of the Code.

As used herein, the term "U.S. Holder" means a beneficial owner of the notes and common stock that is for U.S. federal income tax purposes:

a citizen or resident of the U.S. (including certain former citizens and former long-term residents);

a corporation (or other entity taxable as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the U.S. or of any political subdivision thereof;

an estate, the income of which is subject to U.S. federal income taxation regardless of the source of such income; or

a trust, if (a) the administration of the trust is subject to the primary supervision of a U.S. court and the trust has one or more U.S. persons with authority to control all substantial decisions or (b) the trust has a valid election in effect under applicable Treasury Regulations to be treated as a U.S. person.

Persons other than U.S. Holders ("Non-U.S. Holders") are subject to special U.S. federal income tax considerations, some of which are discussed below.

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This discussion does not consider the effect of the U.S. federal estate, gift, or excise tax laws or the tax laws of any applicable foreign, state, local or other jurisdiction.

Persons considering the purchase of notes should consult their own tax advisors with respect to the application of the U.S. federal income tax laws to their particular situations as well as any tax consequences arising under the federal estate, gift, or excise tax rules or under the laws of any state, local or foreign taxing jurisdiction or under any applicable tax treaty.

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U.S. Holders

Taxation of Interest

Based on the discussion and assumptions described below, payments of interest on a note will be includible in a U.S. Holder's income as ordinary interest income when paid or accrued in accordance with the U.S. Holder's regular method of accounting for federal income tax purposes.

We may be required to pay additional amounts on the notes if we fail to comply with our obligations under the registration rights agreement. Please read *Description of the Notes* Form, Denomination and Registration *Registration Rights of the Note Holders*. We may also be required to pay a make whole premium upon certain designated events. Please read *Description of the Notes* *Determination of the Make Whole Premium*. Unless it is significantly more likely than not that neither the additional payments nor the make whole premium will be paid, the notes will be subject to the rules applicable to contingent payment debt instruments. In such case, U.S. Holders will be required to treat any gain recognized on the sale or other disposition of the notes (including any gain realized upon conversion of the notes) as ordinary income rather than as capital gain. Furthermore, U.S. Holders would be required to accrue interest income on a comparable yield basis, which will mean that the amount of interest income required to be included in income by the holders for each year will be in excess of the stated interest on the notes. We believe (and this discussion assumes) that it is significantly more likely than not that neither the additional payments nor the make whole premium will be paid, and, therefore, that the notes are not subject to the rules applicable to contingent payment debt instruments. Based on the foregoing, any additional payments and make whole premium will be includible in a U.S. Holder's income as ordinary income when paid or accrued in accordance with the U.S. Holder's regular method of accounting for federal income tax purposes. Persons considering the purchase of the notes should consult their own tax advisors with respect to the potential application of the contingent payment debt rules.

Market Discount

If a U.S. Holder purchases a note for an amount that is less than its stated redemption price at maturity, the amount of the difference will be treated as market discount for federal income tax purposes, unless this difference is less than a specified de minimis amount.

A U.S. Holder will be required to treat any principal payment on, or any gain on the sale, exchange, retirement or other disposition of a note as ordinary income to the extent of the market discount accrued on the note at the time of the payment or disposition unless this market discount has been previously included in income by the U.S. Holder pursuant to an election by the U.S. Holder to include market discount in income as it accrues. If the note is disposed of in certain nontaxable transactions (not including its conversion into common stock), accrued market discount will be includible as ordinary income to the Holder as if such Holder had sold the note in a taxable transaction at its then fair market value. In addition, the Holder may be required to defer, until the maturity of the note or its earlier disposition (including certain nontaxable transactions, but not including its conversion into common stock), the deduction of a portion of the interest expense on any indebtedness incurred or maintained to purchase or carry such note.

Upon conversion of a note acquired at market discount, any market discount not previously included in income (including as a result of the conversion) will carryover to the common stock received. Any such market discount that is carried over to common stock received upon conversion will be taxable as ordinary income upon the sale, exchange or other disposition of the common stock.

Acquisition Premium and Amortizable Bond Premium

If a U.S. Holder's tax basis in a note, immediately after the purchase, is greater than the stated redemption price at maturity of the note, the Holder will be considered to have purchased the note with amortizable bond premium. In general, amortizable bond premium with respect to any note will be equal in amount to the excess, if any, of the tax

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basis (reduced as set forth in the following sentence) over the stated redemption price at maturity of the note. For this purpose only, a holder's tax basis in a note is reduced by an amount equal to the value of the option to convert the note into common stock; the value of this conversion option may be determined under any reasonable method. The U.S. Holder may elect to amortize this bond premium, using a constant yield method, over the remaining term of the note. A U.S. Holder may generally use the amortizable bond premium allocable to an accrual period to offset interest required to be included in such Holder's income with respect to the note in that accrual period. A U.S. Holder who elects to amortize bond premium must reduce its tax basis in the note by the amount of the premium amortized in any year. An election to amortize bond premium applies to all taxable debt obligations then owned and thereafter acquired by the U.S. Holder and may be revoked only with the consent of the IRS.

Sale, Exchange, Redemption or Repurchase of the Notes

Upon the sale, exchange (other than a conversion), redemption or repurchase of a note, a U.S. Holder generally will recognize taxable gain or loss equal to the difference between (1) the amount of cash proceeds and the fair market value of any property received on the sale, exchange, redemption or repurchase (except to the extent such amount is attributable to accrued interest income not previously included in income, which will be taxable as ordinary income, or is attributable to accrued interest that was previously included in income, which amount may be received without generating further income) and (2) such U.S. Holder's adjusted tax basis in the note. A U.S. Holder's adjusted tax basis in a note generally will equal the cost of the note to such U.S. Holder decreased by the amount of any payments (other than interest) received by such U.S. Holder. Subject to the discussion above concerning market discount, such gain or loss will be capital gain or loss and will be long-term capital gain or loss if the U.S. Holder's holding period in the note is more than one year at the time of sale, exchange, redemption or repurchase. Long-term capital gains recognized by certain non-corporate U.S. Holders, including individuals, will generally be subject to tax rates lower than the rates applicable to ordinary income. The deductibility of capital losses is subject to limitations. U.S. Holders of notes should consult their tax advisors regarding the treatment of capital gains and losses.

Conversion of the Notes

If a U.S. Holder surrenders a note for conversion and we deliver a combination of shares of common stock and cash, the tax treatment of the U.S. Holder is uncertain. Assuming the note is a security for U.S. federal income tax purposes and the conversion is treated as a recapitalization within the meaning of Section 368(a)(1)(E) of the Code, a U.S. Holder would be required to recognize any gain (but not loss) realized, but only to the extent such gain does not exceed the amount of cash received (other than any cash received in lieu of a fractional share or attributable to accrued but unpaid interest, as discussed below). Such gain should be long-term capital gain if the U.S. Holder held the note for more than one year at the time of the conversion. Furthermore, a U.S. Holder's basis in the common stock received in the conversion (excluding any shares of common stock attributable to accrued but unpaid interest) would be equal to such U.S. Holder's adjusted tax basis in the note, reduced by any cash received in the conversion (other than any cash received in lieu of a fractional share or attributable to accrued but unpaid interest) and increased by the amount of any gain recognized on the conversion (other than gain with respect to a fractional share). Alternatively, if the conversion is not treated as a recapitalization, but rather as a sale of a portion of a note for cash, a U.S. Holder may be required to recognize gain as described above under *Sale, Exchange, Redemption or Repurchase of the Notes*. In such case, a U.S. Holder's basis in the note would be allocated pro rata between the common stock received (including any fractional share treated as received) and the portion of the note that is treated as sold for cash (and in both cases excluding any amounts attributable to accrued and unpaid interest). U.S. Holders should consult their tax advisors regarding the proper treatment to them of the receipt of a combination of cash and common stock upon a conversion of the notes, which may be different than the alternative tax treatments described above.

If, upon conversion of a note, cash is received in lieu of a fractional share, the amount of gain or loss recognized by a U.S. Holder will be equal to the difference between the amount of cash received in respect of the fractional share and the portion of the U.S. Holder's adjusted tax basis in the note allocable to the fractional share.

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The amount of any cash and the fair market value of any common stock received by the U.S. Holder that is attributable to accrued but unpaid interest not previously included in income will be taxable to the U.S. Holder as ordinary income. A U.S. Holder's tax basis in any such shares of common stock will equal such accrued interest and the holding period will begin on the day following the conversion.

The holding period for any common stock received upon conversion (excluding any common stock received that is attributable to accrued but unpaid interest) will include the holding period for the note.

Dividends

Distributions, if any, made on the common stock received upon conversion generally will be treated as a dividend, taxable to the U.S. Holder as ordinary income, to the extent of our current or accumulated earnings and profits. Distributions in excess of our current and accumulated earnings and profits will be treated as a return of capital to the extent of the U.S. Holder's basis in the common stock and thereafter as capital gain. In the case of non-corporate U.S. Holders, the federal income tax rate applicable to dividends received in years beginning prior to 2009 may be lower than the rate applicable to other categories of ordinary income if certain conditions are met. A dividend distribution to certain corporate U.S. Holders may qualify for a dividends received deduction. U.S. Holders should consult their tax advisors regarding the treatment of any distributions received on the common stock.

Constructive Dividends

The conversion rate of the notes is subject to adjustment under certain circumstances. Section 305 of the Code and the Treasury regulations issued thereunder may treat the U.S. Holder of the notes as having received a constructive distribution, resulting in ordinary income characterized as a dividend (subject to a possible dividends-received deduction in the case of certain corporate U.S. Holders) to the extent of our current and accumulated earnings and profits. This will occur if and to the extent that certain adjustments in the conversion rate (for example, an adjustment to reflect a taxable dividend to holders of common stock) increase the proportionate interest of a U.S. Holder of the notes in the fully diluted common stock, whether or not such U.S. Holder ever exercises its conversion privilege. Similarly, a failure to adjust the conversion rate of the notes to reflect a stock dividend or similar event could give rise to constructive dividend income to U.S. Holders of our common stock in certain circumstances. In the case of any such constructive dividend distribution, a U.S. Holder may recognize income even though such U.S. Holder does not receive any cash or property as a result of the conversion rate adjustment. Generally, a U.S. Holder's basis in a note will be increased by the amount of any constructive dividend. Certain adjustments to the conversion rate, made under a bona fide, reasonable adjustment formula which has the effect of preventing dilution of the interests of the holders of the notes, however, generally will not be considered to result in a constructive dividend.

Sale or Exchange of Common Stock

Upon the sale or exchange of common stock, a U.S. Holder generally will recognize taxable gain or loss equal to the difference between (1) the amount of cash and the fair market value of any property received upon the sale or exchange and (2) such U.S. Holder's adjusted tax basis in the common stock. Subject to the discussion above concerning market discount, such gain or loss will be capital and will be long-term capital gain or loss if the U.S. Holder's holding period in common stock is more than one year at the time of the sale or exchange. Long-term capital gains recognized by certain non-corporate U.S. Holders will generally be subject to tax rates lower than the rates applicable to ordinary income. A U.S. Holder's basis and holding period in common stock received upon conversion of a note are determined as discussed above under Conversion of the Notes. The deductibility of capital losses is subject to limitations. U.S. Holders should consult their tax advisors regarding treatment of capital gains and losses.

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Non-U.S. Holders

Taxation of Interest

In general, subject to the discussion below concerning backup withholding, payments of interest on the notes by us or any paying agent to a beneficial owner of a note that is a Non-U.S. Holder will not be subject to the 30% U.S. withholding tax discussed below, provided that the Non-U.S. Holder:

does not own, actually or constructively, 10% or more of the total combined voting power of all of our classes of stock entitled to vote;

is not a controlled foreign corporation that is, directly or indirectly, related to us;

is not a bank receiving interest described in Section 881(c)(3)(A) of the Code; and

meets the certification requirements described below.

Interest on notes not excluded from U.S. withholding tax as described above generally will be subject to U.S. withholding tax at a 30% rate, except where an applicable tax treaty provides for the reduction or elimination of such withholding tax and the Non-U.S. Holder meets the certification requirements described below.

To satisfy the certification requirements referred to above either (1) the beneficial owner of a note must certify, under penalties of perjury, to us or our paying agent, as the case may be, that such owner is not a U.S. person and must provide such owner's name and address, and U.S. taxpayer identification number, if any, or (2) a securities clearing organization, bank or other financial institution that holds customer securities in the ordinary course of its trade or business, and holds the note on behalf of the beneficial owner thereof must certify, under penalties of perjury, to us or our paying agent, as the case may be, that the certificate referred to in (1) above has been received from the beneficial owner and must furnish the payor with a copy thereof. Such requirement will be fulfilled if the beneficial owner of a note certifies on IRS Form W-8BEN or successor form, under penalties of perjury, that it is not a U.S. person and provides its name and address or a financial institution holding the note on behalf of the beneficial owner files a statement with the withholding agent to the effect that it has received such a statement from the beneficial owner (and furnishes the withholding agent with a copy thereof).

If a Non-U.S. Holder of a note is engaged in a trade or business in the U.S. and if interest on the note is effectively connected with the conduct of that trade or business, the Non-U.S. Holder will generally be subject to U.S. federal income tax on such interest on a net income basis in the same manner as if it were a U.S. Holder. If the Non-U.S. Holder is eligible for the benefits of a tax treaty between the United States and the Non-U.S. Holder's country of residence, any effectively connected income or gain will generally be subject to U.S. federal income tax on a net income basis only if it is also attributable to a permanent establishment maintained by the Non-U.S. Holder in the United States. Payments of interest that are effectively connected with a U.S. trade or business or, as applicable, attributable to a U.S. permanent establishment, and therefore included in the gross income of a Non-U.S. Holder, will not be subject to the 30% withholding tax discussed above. To claim this exemption from withholding, the Non-U.S. Holder must provide us with a properly executed IRS Form W-8ECI or successor form, certifying that the dividends are effectively connected with the Non-U.S. Holder's conduct of a trade or business within the United States. In addition, if the Non-U.S. Holder is a foreign corporation, it may be subject to a branch profits tax equal to 30% (or such lower rate provided by an applicable treaty) of its effectively connected earnings and profits for the taxable year, subject to certain adjustments.

Conversion of the Notes

Except as set forth herein, a Non-U.S. Holder will not recognize gain upon the conversion of a note. The amount of any cash and the fair market value of any common stock received by a Non-U.S. Holder that is attributable to accrued but unpaid interest will be treated as described above under Taxation of Interest. To the extent a Non-U.S. Holder receives cash upon conversion of a note, such cash may give rise to gain that would be subject to the rules described under Sale, Exchange, Redemption or Repurchase of the Notes or Common Stock below.

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Dividends

Distributions on common stock will constitute a dividend for U.S. federal income tax purposes to the extent of our current or accumulated earnings and profits. Dividends paid on common stock held by a Non-U.S. Holder generally will be subject to U.S. withholding tax at a rate of 30% (or such lower rate provided by an applicable treaty). In order to obtain a reduced rate of withholding on dividends, a Non-U.S. Holder will be required to provide an IRS Form W-BEN or successor form certifying its entitlement to benefits under a treaty. If the dividend is effectively connected with the conduct of a U.S. trade or business by the Non-U.S. Holder and, if required by a tax treaty, is attributable to a permanent establishment maintained in the United States, the dividend will not be subject to withholding tax, but will be subject to U.S. federal income tax on a net income basis in the same manner that applies to U.S. Holders generally, provided the Non-U.S. Holder provides a Form W-8ECI or successor form as discussed above. A non-U.S. corporation receiving effectively connected dividends also may be subject to an additional branch profits tax at a rate of 30% (or such lower rate provided by an applicable treaty).

Constructive Dividends

The conversion rate of the notes is subject to adjustment under certain circumstances. Any such adjustment could, in certain circumstances, give rise to a deemed distribution to Non-U.S. Holders of the notes. Please read U.S. Holders Constructive Dividends above. In such case, the deemed distribution would be subject to the rules described above regarding withholding of U.S. federal income tax on dividends in respect of common stock. It is possible that any withholding tax on the constructive dividend would be withheld from interest paid to Non-U.S. Holders of the notes. Non-U.S. Holders who are subject to withholding tax in this circumstance should consult their own tax advisor regarding a refund of all or a part of the withholding tax.

Sale, Exchange, Redemption or Repurchase of the Notes or Common Stock

If a Non-U.S. Holder requires us to repurchase a note or we redeem a note of a Non-U.S. Holder, any cash received by such Non-U.S. Holder attributable to accrued but unpaid interest not previously included in income of the Non-U.S. Holder will be subject to the rules described under Taxation of Interest.

Except as set forth under Conversion of the Notes above, a Non-U.S. Holder generally will not be subject to U.S. federal income tax on any gain realized on the sale, exchange, redemption, repurchase or other disposition of a note or the sale or exchange of common stock unless:

- (1) the gain is effectively connected with a U.S. trade or business of the Non-U.S. Holder;

- (2) in the case of a Non-U.S. Holder who is an individual, such holder is present in the United States for a period or periods aggregating 183 days or more during the taxable year of the disposition and certain other conditions are met;

- (3) the Non-U.S. Holder is subject to Code provisions applicable to certain U.S. expatriates; or

(4) we are characterized as a United States real property holding corporation and the Non-U.S. Holder does not qualify for certain exemptions.

If a Non-U.S. Holder falls under clause (1) above, such Non-U.S. Holder generally will be taxed on the net gain derived from the sale in the same manner as a U.S. Holder. If a Non-U.S. Holder that is a foreign corporation falls under clause (1), it generally will be taxed on the net gain derived from a sale in the same manner as a U.S. Holder and, in addition, may be subject to branch profits tax on its effectively connected earnings and profits (subject to certain adjustments) at a 30% rate (or such lower rate provided by an applicable treaty). If an individual Non-U.S. Holder falls under clause (2) above, such Non-U.S. Holder generally will be subject to a 30% tax on the gain derived from the sale, which may be offset by certain U.S. capital losses (notwithstanding the fact that such individual is not considered a resident of the United States). Individual Non-U.S. Holders who have spent (or expect to spend) 183 days or more in the United States in the taxable year in

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which they contemplate a disposition of notes or common stock are urged to consult their tax advisors as to the tax consequences of such disposition. We are not, and do not anticipate becoming, a U.S. real property holding corporation.

Backup Withholding and Information Reporting

The Code and the Treasury Regulations require those who make specified payments to report the payments to the IRS. Among the specified payments are interest, dividends and proceeds paid by brokers to their customers. The required information returns enable the IRS to determine whether the recipient properly included the payments in income. This reporting regime is reinforced by backup withholding rules. These rules require payors to withhold tax from payments subject to information reporting if the recipient fails to provide the recipient's taxpayer identification number to the payor, furnishes an incorrect taxpayer identification number or repeatedly fails to report interest or dividends on the recipient's returns. The backup withholding rate is currently 28%. The information reporting and backup withholding rules do not apply to payments to corporations, whether domestic or foreign.

Payments of interest or dividends to non-corporate U.S. Holders of notes or common stock will generally be subject to information reporting, and will be subject to backup withholding unless the U.S. Holder provides us or our paying agent with a correct taxpayer identification number and complies with certain certification procedures.

Payments made to U.S. Holders by a broker upon a sale of notes or common stock generally will be subject to information reporting and backup withholding. If, however, the sale is made through a foreign office of a U.S. broker, the sale will be subject to information reporting but not backup withholding. If the sale is made through a foreign office of a foreign broker, the sale will generally not be subject to either information reporting or backup withholding. This exception may not apply, however, if the foreign broker is owned or controlled by U.S. persons, or is engaged in a U.S. trade or business.

Backup withholding will not apply to payments of interest and dividends to a Non-U.S. Holder who certifies its non-U.S. status by providing an IRS Form W-8BEN or other appropriate form to us or our paying agent, unless the payor knows or has reason to know that the Non-U.S. Holder is not entitled to an exemption from backup withholding. The certification procedures required to claim an exemption from withholding tax on interest described under *Non-U.S. Holders Taxation of Interest* will satisfy the certification requirements necessary to exempt the Non-U.S. Holder from backup withholding as well. Information reporting generally will not apply to payments of dividends and interest to a Non-U.S. Holder.

Payments made to a Non-U.S. Holder upon a sale of notes or common stock to or through the U.S. office of any broker, domestic or foreign, will be subject to information reporting and backup withholding unless such Non-U.S. Holder certifies as to its non-U.S. status as described above or otherwise establishes an exemption, and the broker does not have actual knowledge that such Non-U.S. Holder is a U.S. person or that the conditions of an exemption are not in fact satisfied. Payments made to a Non-U.S. Holder upon a sale of notes or common stock to or through a foreign office of a U.S. broker will be subject to information reporting, but not backup withholding, unless such broker has documentary evidence in its files that such Non-U.S. Holder is not a U.S. person and the broker has no knowledge to the contrary or such Non-U.S. Holder otherwise establishes an exemption. If the sale is made through a foreign office of a foreign broker, the sale generally will not be subject to either information reporting or backup withholding. This exemption may not apply, however, if the foreign broker is owned or controlled by U.S. persons or engaged in a U.S. trade or business.

Copies of any information returns filed with the IRS may be made available by the IRS, under the provisions of a specific treaty or agreement, to the taxing authorities of the country in which the Non-U.S. Holder resides or is organized.

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Any amounts withheld from a payment to a U.S. Holder or a Non-U.S. Holder of notes or common stock under the backup withholding rules can be credited against any U.S. federal income tax liability of the U.S. Holder or Non-U.S. Holder and may entitle the U.S. Holder or Non-U.S. Holder to a refund, provided the required information is furnished to the IRS.

The preceding discussion of certain U.S. federal income tax considerations is for general information only and is not tax advice. Accordingly, each prospective investor should consult its own tax advisor as to the particular U.S. federal, state and local tax consequences of purchasing, holding and disposing of the notes and holding or disposing of our common stock into which the notes may be converted. Tax advisors should also be consulted as to the U.S. estate, gift, and excise tax consequences and the foreign tax consequences of purchasing, holding or disposing of our notes and holding or disposing of our common stock, as well as the consequences of any proposed change in applicable laws.

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SELLING SECURITYHOLDERS

The notes were originally issued by us and sold to UBS Securities LLC and Wachovia Capital Markets, LLC who acted as joint book-runners and initial purchasers in the offering. The notes were resold by the initial purchasers in transactions exempt from the registration requirements of the Securities Act of 1933 to persons reasonably believed by the initial purchasers to be qualified institutional buyers, as defined by Rule 144A under the Securities Act of 1933. The selling securityholders, including their transferees, pledgees, donees, assignees or successors, may from time to time offer and sell under this prospectus any or all of the notes listed below and the shares of common stock issued upon conversion of the notes.

The following table sets forth recent information about the principal amount of notes beneficially owned by each selling securityholder and the maximum number of shares of common stock issuable upon conversion (without giving effect to the net share settlement feature) of those notes that may be offered from time to time under this prospectus. Certain selling securityholders may be deemed to be underwriters as defined in the Securities Act of 1933. Any profits realized by the selling securityholders may be deemed to be underwriting commissions.

The number of shares of common stock issuable upon conversion of the notes is not known at this time because upon conversion holders of the notes will receive a conversion value up to the full principal amount of the notes in cash. Shares will only be issuable upon conversion to the extent that the conversion value exceeds the principal amount of the notes. This conversion rate is subject to adjustment as described under Description of the Notes Conversion of the Notes Conversion Rate Adjustments. Accordingly, the number of shares of common stock issuable upon conversion of the notes, if any, may increase or decrease from time to time. Under the terms of the indenture, upon conversion cash will be issued up to the full principal amount of the notes and shares will be issued for any value in excess of the principal amount. Fractional shares will not be issued upon conversion of the notes. Cash will be paid instead of fractional shares, if any.

The table below has been prepared based upon the information furnished to us by the selling securityholders as of August 5, 2005. The selling securityholders identified below may have sold, transferred or otherwise disposed of some or all of their notes since the date on which the information in the following table is presented in transactions exempt from or not subject to the registration requirements of the Securities Act of 1933. Information concerning the selling securityholders may change from time to time and, if necessary, we will supplement this prospectus accordingly. We cannot give an estimate as to the amount of the notes or common stock issuable upon conversion thereof that will be held by the selling securityholders upon the termination of this offering because the selling securityholders may offer some or all of their notes or common stock under the offering contemplated by this prospectus. The total principal amount at maturity of notes that may be sold hereunder will not exceed the \$180,000,000 we issued. Please read Plan of Distribution.

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To our knowledge, other than their ownership of the securities described below, none of the selling holders has, or has had within the past three years, any position, office or other material relationship with us or any of our predecessors or affiliates.

Name	Principal Amount of Notes Beneficially Owned That May Be Sold	Percentage of Notes Outstanding	Number of Shares of Common Stock That May Be Sold(1)	Percentage of Common Stock Outstanding(2)	Natural Person(s) with dispositive voting or investment control
AHFP Context	\$ 125,000	*	3,114.01	*	Michael Rosen and Bill Fertig
Alexandra Global Master Fund Ltd	\$ 3,000,000	1.67%	74,736.30	*	Mikhail A. Filimohov and Dimitri Sogoloff
American Beacon Funds	\$ 285,000	*	7,099.95	*	Nick Calamos
Aventis Pension Master Trust	\$ 325,000	*	8,096.43	*	Nick Calamos
Bank Austria Cayman Islands, Ltd	\$ 1,500,000	*	37,368.15	*	Alex Adair
BNP Paribas Arbitrage (3)	\$ 4,500,000	2.50%	112,104.45	*	Mike Cohen
BNP Paribas Equity Strategies, SNC (3)	\$ 508,000	*	12,655.35	*	Christian Menestrier
Boilermakers Blacksmith Pension Trust	\$ 2,200,000	1.22%	54,806.62	*	Nick Calamos
BP Amoco PLC Master Trust	\$ 557,000	*	13,876.04	*	John Gottfurcht, George Douglas, and Amy Jo Gottfurcht
BTOP Multi Strategy Master Portfolio Ltd	\$ 1,350,000	*	33,631.34	*	Eric Lobben
Castlerigg Master Investments Ltd	\$ 10,000,000	5.56%	249.121	1.16%	Thomas Sandell
Celebrity IAM Ltd.	\$ 3,000,000	1.67%	74,736.30	*	Deepak Gulrajani
CEMEX Pension Plan	\$ 150,000	*	3,736.82	*	Nick Calamos
City of Knoxville Pension System	\$ 330,000	*	8,220.99	*	Nick Calamos
CNHCA Master Account, LP	\$ 1,500,000	*	37,368.15	*	Robert Krail, Mark Mitchell, and Todd Pulvino
Context Convertible Arbitrage Fund, LP	\$ 1,400,000	*	34,876.94	*	Michael Rosen and Bill Fertig

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Name	Principal Amount of Notes Beneficially Owned That May Be Sold	Percentage of Notes Outstanding	Number of Shares of Common Stock That May Be Sold(1)	Percentage of Common Stock Outstanding(2)	Natural Person(s) with dispositive voting or investment control
Context Convertible Arbitrage Offshore, Ltd.	\$ 3,775,000	2.10%	94,043.18	*	Michael Rosen and Bill Fertig
CooperNeff Convertible Strategies (Cayman) Master Fund, LP	\$ 260,000	*	6,477.15	*	Christian Menestrier
DBAG London (3)	\$ 500,000	*	12,456.05	*	Patrick Corrigan
Delta Airlines Master Trust	\$ 1,250,000	*	31,140.13	*	Nick Calamos
Delta Pilots Disability and Survivorship Trust	\$ 450,000	*	11,210.45	*	Nick Calamos
Descartes Offshore Ltd.	\$ 5,600,000	3.11%	139,507.76	*	Deepak Gulrajani
Descartes Partners L.P.	\$ 1,400,000	*	34,876.94	*	Deepak Gulrajani
Dorinco Reinsurance Company	\$ 950,000	*	23,666.50	*	Nick Calamos
Fore Convertible Master Fund, Ltd	\$ 25,000,000	13.89%	622,802.50	2.86%	David Egglshaw
Fore ERISA Fund, Ltd.	\$ 6,000,000	3.33%	149,472.60	*	David Egglshaw
Fore Multi Strategy Master Fund, Ltd.	\$ 8,000,000	4.44%	199,296.80	*	David Egglshaw
Grace Convertible Arbitrage Fund, Ltd.	\$ 6,500,000	3.61%	161,928.65	*	Bradford Whitmore and Michael Brailov
Guggenheim Portfolio Company VIII (Cayman) Ltd (3)	\$ 6,000,000	3.33%	149,472.60	*	Matthew Li
Highbridge International LLC (3)	\$ 18,000,000	9.17%	411,049.65	1.91%	Glenn Dubin and Henry Sweica
					John Gottfurcht,
Hotel Union & Hotel Industry of Hawaii Pension Plan	\$ 95,000	*	2,366.65	*	George Douglas, and Amy Jo Gottfurcht
Institutional Benchmarks Master Fund L.P. c/o SSI Investment Management	\$ 892,000	*	22,221.59	*	John Gottfurcht, George Douglas, and Amy Jo Gottfurcht
Kettering Medical Center Funded Depreciation Account	\$ 115,000	*	2,864.89	*	Nick Calamos
Knoxville Utilities Board Retirement System	\$ 150,000	*	3,736.82	*	Nick Calamos
Louisiana Workers Compensation #2	\$ 135,000	*	3,363.13	*	Nick Calamos
Louisiana Workers Compensation Corporation	\$ 425,000	*	10,587.64	*	Nick Calamos

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Name	Principal Amount of Notes Beneficially Owned That May Be Sold	Percentage of Notes Outstanding	Number of Shares of Common Stock That May Be Sold(1)	Percentage of Common Stock Outstanding(2)	Natural Person(s) with dispositive voting or investment control
Lyxor/Context Fund Ltd. (3)	\$ 800,000	*	19,929.68	*	Michael Rosen and Bill Fertig
Lyxor/Convertible Arbitrage Fund Limited	\$ 69,000	*	1,718.93	*	Christian Menestrier
Macomb County Employees Retirement System	\$ 350,000	*	8,719.24	*	Nick Calamos
Managers Convertible Securities Fund (9)	\$ 125,000	*	3,114.01	*	Affiliated Managers Group, Inc.
Man Mac I Limited	\$ 11,000,000	6.11%	274,033.10	1.28%	Michael Collins
McMahan Securities Co. L.P. (4)	\$ 2,000,000	1.11%	49,824.20	*	Executive Committee: Ronald Fertig, Jay Glassman, Joseph Dwyer, D. Bruce McMahan, Scott Dillinger, and Norman Ziegler
MLQA Convertible Securities Arbitrage Ltd. (3)	\$ 3,000,000	1.67%	74,736.30	*	MLIM LLC (5)
National Bank of Canada (3)	\$ 500,000	*	12,456.05	*	Michael Rosen and Bill Fertig
Newport Alternative Income Fund	\$ 500,000	*	12,456.05	*	Louise Morwick and Bryn Joynt
Oakwood Assurance Company Ltd.	\$ 55,000	*	1,370.17	*	Nick Calamos
Oakwood Healthcare Inc. Endowment A & D	\$ 9,000	*	224.21	*	Nick Calamos
Oakwood Healthcare Inc. Funded Depreciation	\$ 95,000	*	2,366.65	*	Nick Calamos
Oakwood Healthcare Inc. OHP	\$ 11,000	*	274.03	*	Nick Calamos
Oakwood Healthcare Inc. Pension	\$ 175,000	*	4,359.62	*	Nick Calamos
Pebble Limited Partnership	\$ 1,000,000	*	24,912.10	*	Louise Morwick and Bryn Joynt
Plexus Fund Limited	\$ 2,000,000	1.11%	49,284.20	*	Dermot Keane and Michael Whitehouse
Polaris Vega Fund L.P.	\$ 7,700,000	4.28%	191,823.17	*	Gregory R. Levinson
Port Authority of Allegheny County Consolidated Trust Fund	\$ 60,000	*	1,494.73	*	Nick Calamos

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Name	Principal Amount of Notes Beneficially Owned That May Be Sold	Percentage of Notes Outstanding	Number of Shares of Common Stock That May Be Sold(1)	Percentage of Common Stock Outstanding(2)	Natural Person(s) with dispositive voting or investment control
Port Authority of Allegheny County Retirement and Disability Allowance Plan for the Employees Represented by Local 85 of the Amalgamated Transit Union	\$ 750,000	*	18,684.08	*	Nick Calamos
Prisma Foundation	\$ 190,000	*	4,733.30	*	Nick Calamos
Pyramid Equity Strategies Fund	\$ 150,000	*	3,736.82	*	Eric Lobben
Radcliffe SPC, for and on behalf of the Class A Convertible Crossover Segregated Portfolio	\$ 1,750,000	*	43,596.18	*	(6)
Ramius Master Fund, Ltd (3)	\$ 3,150,000	1.75%	78,473.12	*	Alex Adair
RCG Latitude Master Fund, Ltd (3)	\$ 2,100,000	1.17%	52,315.41	*	Alex Adair
RCG Multi Strategy Master Fund, Ltd (3)	\$ 750,000	*	18,684.08	*	Alex Adair
Royal Bank of Canada (Norshield) (3)	\$ 400,000	*	9,964.84	*	Michael Rosen and Bill Fertig
Sage Capital Management, LLC	\$ 2,000,000	1.11%	49,824.20	*	Peter deLisser
Salomon Brothers Asset Management, Inc. (3)(10)	\$ 6,500,000	3.61%	161,928.65	*	Citigroup Global Markets, Inc.
SCI Endowment Care Common Trust Fund National Fiduciary Services	\$ 180,000	*	4,484.18	*	Nick Calamos
SCI Endowment Care Common Trust Fund Suntrust Bank	\$ 100,000	*	2,491.21	*	Nick Calamos
SCI Endowment Care Common Trust Fund Wachovia	\$ 45,000	*	1,121.04	*	Nick Calamos
SG Americas Securities, LLC (11)	\$ 9,000,000	5%	224,208.90	1.05%	Societe Generale Group
Silvercreek II Limited	\$ 1,330,000	*	33,133.09	*	Louise Morwick and Bryn Joynt
Silvercreek Limited Partnership	\$ 1,670,000	*	41,603.21	*	Louise Morwick and Bryn Joynt

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Name	Principal Amount of Notes Beneficially Owned That May Be Sold	Percentage of Notes Outstanding	Number of Shares of Common Stock That May Be Sold(1)	Percentage of Common Stock Outstanding(2)	Natural Person(s) with dispositive voting or investment control
Singlehedge US Convertible Arbitrage Fund	\$ 75,000	*	1,868.41	*	Christian Menestrier
SOCS Ltd.	\$ 3,500,000	1.94%	87,192.35	*	Dan Baldwin, Stephen Alfieri, Kevin Murphy, Sarah E. Street and Christopher V. Greetham(8)
Sphinx Convertible Arb Fund SPC c/o SSI Investment Management	\$ 582,000	*	14,498.84	*	George Douglas, and Amy Jo Gottfurcht
SPT	\$ 2,150,000	1.19%	53,561.02	*	Nick Calamos
SSI Hedged Convertible Market Neutral L.P.	\$ 390,000	*	9,715.72	*	John Gottfurcht, George Douglas, and Amy Jo Gottfurcht
Sturgeon Limited	\$ 88,000	*	2,192.26	*	Christian Menestrier
Sunrise Partners Limited Partnership (3) (7)	\$ 1,500,000	*	37,368.15	*	S. Donald Sussman
The California Wellness Foundation	\$ 500,000	*	12,456.05	*	Nick Calamos
The City of Southfield Fire & Police Retirement System	\$ 22,000	*	548.07	*	John Gottfurcht, George Douglas, and Amy Jo Gottfurcht
The Cockrell Foundation	\$ 85,000	*	2,117.53	*	Nick Calamos
The Consulting Group Capital Markets Fund c/o SSI Investment Management	\$ 150,000	*	3,736.82	*	John Gottfurcht, George Douglas, and Amy Jo Gottfurcht
The Dow Chemical Company Employees Retirement Plan	\$ 2,500,000	1.39%	62,280.25	*	Nick Calamos
The Estate of James Campbell 03394	\$ 56,000	*	1,395.08	*	John Gottfurcht, George Douglas, and Amy Jo Gottfurcht
The Estate of James Campbell 08968	\$ 34,000	*	847.01	*	John Gottfurcht, George Douglas, and Amy Jo Gottfurcht

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Name	Principal Amount of Notes Beneficially Owned That May Be Sold	Percentage of Notes Outstanding	Number of Shares of Common Stock That May Be Sold(1)	Percentage of Common Stock Outstanding(2)	Natural Person(s) with dispositive voting or investment control
The Estate of James Campbell 11222	\$ 457,000	*	11,384.83	*	John Gottfurcht, George Douglas, and Amy Jo Gottfurcht
The Fondren Foundation	\$ 80,000	*	1,992.97	*	Nick Calamos
UBS Securities LLC(4)	\$ 7,000,000	3.89%	174,384.70	*	UBS AG Parent Co.
Union Carbide Retirement Account	\$ 1,300,000	*	32,385.73	*	Nick Calamos
United Food and Commercial Workers Local 1262 and Employees Pension Fund	\$ 760,000	*	18,933.20	*	Nick Calamos
Univar USA Inc. Retirement Plan	\$ 415,000	*	10,338.52	*	Nick Calamos
Univest Convertible Arbitrage Fund II Ltd (Norshield)	\$ 250,000	*	6,228.03	*	Michael Rosen and Bill Fertig
Viacom Inc. Pension Plan Master Trust	\$ 15,000	*	373.68	*	John Gottfurcht, George Douglas, and Amy Jo Gottfurcht
Wachovia Capital Markets LLC (4)	\$ 2,425,000	1.35%	60,411.84	*	Wachovia Corporation
Waterstone Market Neutral MAC 51, Ltd.	\$ 194,000	*	4,832.95	*	Shawn Bergerson
Waterstone Market Neutral Master Fund, Ltd.	\$ 2,656,000	1.48%	66,166.54	*	Shawn Bergerson
Whitebox Diversified Convertible Arbitrage Partners LP	\$ 2,000,000	1.11%	49,894.20	*	Andrew Redleaf
Xavex Convertible Arbitrage 5 Fund	\$ 500,000	*	12,456.05	*	Alex Adair

* Less than 1%.

- (1) Assumes conversion of all of the holder's notes at a conversion rate of 24.9121 shares of common stock per \$1,000 principal amount of notes. Because securityholders will, upon conversion, receive cash and not shares up to the full principal amount of the notes, the share numbers in this column are indicative of value only and not actual shares issuable. We have, nevertheless, registered the maximum number of shares issuable upon conversion as well as, pursuant to Rule 416 under the Securities Act of 1933, any additional shares issuable pursuant to the terms of the notes to prevent dilution upon a stock split, stock dividend, recapitalization or similar event.

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- (2) Calculated in accordance with Rule 13d-3(d)(1)(i) of the Securities Exchange Act of 1934, as amended, using 21,140,351 shares of common stock outstanding as of June 7, 2005. In calculating this amount for each holder, we treated as outstanding the maximum number of shares of our common stock issuable upon conversion of all of that holder's notes (without giving effect to the net share settlement feature), but we did not assume conversion of any other holder's notes.
- (3) This selling securityholder has advised us that it is an affiliate of a registered broker-dealer; it purchased the securities to be resold in the ordinary course of business; and at the time of the purchase of the securities to be resold, it had no agreements or understandings, directly or indirectly, with any person to distribute the securities.
- (4) This selling securityholder has advised us that it is a registered broker-dealer and accordingly is an underwriter with respect to the securities. Please see Plan of Distribution for required disclosure regarding this selling securityholder. The notes were originally issued by us and sold to UBS Securities LLC and Wachovia Capital Markets, LLC who acted as joint book-runners and initial purchasers in the offering.
- (5) MLQA Convertible Securities Arbitrage Ltd. is controlled by MLIM LLC, a Delaware limited liability company whose sole member is Merrill Lynch Investment Managers, L.P., which is ultimately owned and controlled by Merrill Lynch Co., Inc.
- (6) Pursuant to an investment management agreement, RG Capital Management, L.P. (RG Capital) serves as the investment manager of Radcliffe, SPC, Ltd.'s Class A Convertible Crossover Segregated Portfolio. RGC Management Company, LLC (Management) is the general partner of RG Capital. Steve Katznelson and Gerald Stahlecker serve as the managing members of Management. Each of RG Capital, Management and Messrs. Katznelson and Stahlecker disclaims beneficial ownership of the securities owned by Radcliffe SPC, Ltd. for and on behalf of the Class A Convertible Crossover Segregated Portfolio.
- (7) Sunrise Partners Limited Partnership is also a beneficial owner of 95 shares of common stock.
- (8) The named persons serve on the management committee of Stanfield Capital Partners LLC, the investment advisor to SOCS Ltd, with sole voting or dispositive power. Each of Dan Baldwin, Stephen Alfieri, Kevin Murphy, Sarah E. Street and Christopher V. Greetham disclaims beneficial ownership of the securities owned by SOCS Ltd.
- (9) Managers Convertible Securities Fund has advised us that it is a mutual fund and is affiliated with Managers Distributors, Inc., a registered broker dealer whose limited purpose is to underwrite shares in Managers Convertible Securities Fund. Each of Managers Convertible Securities Fund and Managers Distributors, Inc. is controlled by Affiliated Managers Group, Inc.
- (10) Salomon Brothers Asset Management, Inc. is also beneficial owner of \$650,000 principal amount of registered 2.125% Convertible Senior Subordinated Notes due 2024.
- (11) This selling securityholder has advised us that it is a registered broker-dealer; it purchased the securities to be resold in the ordinary course of business; and at the time of the purchase of the securities to be resold, it had no agreements or understandings, directly or indirectly, with any person to distribute the securities.

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PLAN OF DISTRIBUTION

We are registering the notes and the common stock covered by this prospectus to permit holders to conduct public secondary trading of these securities from time to time after the date of this prospectus. Under the Registration Rights Agreement we entered into with the initial purchasers, we agreed to, among other things, bear all expenses, other than underwriting discounts, selling commissions and transfer taxes, in connection with the registration and sale of the notes and the common stock covered by this prospectus. We will not receive any of the proceeds of the sale of the notes and the common stock offered by this prospectus. The aggregate proceeds to the selling securityholders from the sale of the notes or common stock will be the purchase price of the notes or common stock less any discounts and commissions. A selling securityholder reserves the right to accept and, together with their agents, to reject, any proposed purchases of notes or common stock to be made directly or through agents.

The notes and the common stock offered by this prospectus may be sold from time to time to purchasers:

directly by the selling securityholders and their successors, which includes their donees, pledgees or transferees or their successors-in-interest, or

through underwriters, broker-dealers or agents, who may receive compensation in the form of discounts, commissions or agent's commissions from the selling securityholders or the purchasers of the notes and the common stock. These discounts, concessions or commissions may be in excess of those customary in the types of transactions involved.

The selling securityholders and any underwriters, broker-dealers or agents who participate in the sale or distribution of the notes and the underlying common stock may be deemed to be underwriters within the meaning of the Securities Act of 1933. The selling securityholders identified as registered broker-dealers in the selling securityholders table above (under Selling Securityholders) are deemed to be underwriters. As a result, any profits on the sale of the notes and the underlying common stock by such selling securityholders and any discounts, commissions or agent's commissions or concessions received by any such broker-dealers or agents may be deemed to be underwriting discounts and commissions under the Securities Act of 1933. Selling securityholders who are deemed to be underwriters within the meaning of Section 2(11) of the Securities Act of 1933 will be subject to prospectus delivery requirements of the Securities Act of 1933. Underwriters are subject to certain statutory liabilities, including, but not limited to, Sections 11, 12 and 17 of the Securities Act of 1933.

The notes and the common stock may be sold in one or more transactions at:

fixed prices,

prevailing market prices at the time of sale,

prices related to such prevailing market prices,

varying prices determined at the time of sale, or

negotiated prices.

These sales may be effected in one or more transactions:

on any national securities exchange or quotation service on which the notes and common stock may be listed or quoted at the time of the sale,

in the over-the-counter market,

in transactions otherwise than on such exchanges or services or in the over-the-counter market,

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through the writing of options (including the issuance by the selling securityholders of derivative securities), whether the options or such other derivative securities are listed on an options exchange or otherwise,

through the settlement of short sales, or

through any combination of the foregoing.

These transactions may include block transactions or crosses. Crosses are transactions in which the same broker acts as an agent on both sides of the trade.

In connection with the sales of the notes and the common stock issuable upon conversion thereof or otherwise, the selling securityholders may enter into hedging transactions with broker-dealers or other financial institutions which in turn may:

engage in short sales of the notes or the common stock in the course of hedging their positions,

sell the notes and common stock short and deliver the notes and common stock to close out short positions,

loan or pledge notes or the common stock to broker-dealers or other financial institutions that in turn may sell the notes and the common stock,

enter into option or other transactions with broker-dealers or other financial institutions that require the delivery to the broker-dealer or other financial institution of the notes or the common stock, which the broker-dealer or other financial institution may resell under the prospectus, or

enter into transactions in which a broker-dealer makes purchases as a principal for resale for its own account or through other types of transactions.

To our knowledge, there are currently no plans, arrangements or understandings between any selling securityholders and any underwriter, broker-dealer or agent regarding the sale of the notes and the common stock by the selling securityholders.

Our common stock trades on the New York Stock Exchange under the symbol NCS. We do not intend to apply for listing of the notes on any securities exchange or for inclusion of the notes in any automated quotation system. Accordingly, no assurances can be given as to the development of liquidity or any trading market for the notes. Please read Risk Factors Risks Related to the Notes and our Common Stock An active trading market for the notes may not develop.

There can be no assurance that any selling securityholder will sell any or all of the notes or the common stock under this prospectus. Further, we cannot assure you that any such selling securityholder will not transfer, devise or gift the notes and the common stock by other means not described in this prospectus. In addition, any notes or common stock covered by this prospectus that qualify for sale under Rule 144 or Rule 144A of the Securities Act of 1933 may be sold under Rule 144 or Rule 144A rather than under this prospectus. The notes or common stock

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covered by this prospectus may also be sold to non-U.S. persons outside the United States in accordance with Regulation S under the Securities Act of 1933 rather than under this prospectus. The notes and the common stock may be sold in some states only through registered or licensed brokers or dealers. In addition, in some states the notes and common stock may not be sold unless they have been registered or qualified for sale or an exemption from registration or qualification is available and complied with.

The selling securityholders and any other person participating in the sale of notes or the common stock will be subject to the Securities Exchange Act of 1934. The Securities Exchange Act of 1934 rules include, without limitation, Regulation M, which may limit the timing of purchases and sales of any of the notes and the common stock by the selling securityholders and any other such person. In addition, Regulation M may restrict the ability

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of any person engaged in the distribution of the notes and the common stock to engage in market-making activities with respect to the particular notes and the common stock being distributed. This may affect the marketability of the notes and the common stock and the ability of any person or entity to engage in market-making activities with respect to the notes and the common stock.

We have agreed to indemnify the selling securityholders against certain liabilities, including liabilities under the Securities Act of 1933.

The notes were issued and sold in November 2004 in transactions exempt from the registration requirements of the Securities Act of 1933 to persons reasonably believed by the initial purchasers to be qualified institutional buyers, as defined by Rule 144A under the Securities Act of 1933.

Prior to the private placement, there was no trading market for the notes. Although the broker-dealers that acted as initial purchasers when the notes were originally issued have advised us that they currently intend to make a market in the notes, they are not obligated to do so and may discontinue market-making activities at any time without notice. In addition, their market-making activities will be subject to limits imposed by the Securities Act of 1933 and the Securities Exchange Act of 1934 and may be limited during the pendency of this shelf registration statement. Although the notes issued in the private placement are eligible for trading on the PORTAL MarketSM, notes resold using this prospectus will no longer be eligible for trading on the PORTAL MarketSM. We have not listed, and do not intend to list, the notes on any securities exchange or automated quotation system. We cannot assure you that any active market for the notes will develop or be sustained. If an active market is not developed or sustained, the market price and liquidity of the notes may be adversely affected.

We have agreed to pay substantially all of the expenses incidental to the registration, offering and sale of the notes and common stock to the public other than commissions, fees and discounts of underwriters, brokers, dealers and agents.

EXPERTS

The consolidated financial statements and the related financial statement schedule of NCI Building Systems, Inc. at October 30, 2004 and November 1, 2003 and for each of the three years in the period ended October 30, 2004 incorporated in this prospectus by reference from our Annual Report on Form 10-K have been audited by Ernst & Young LLP, independent registered public accounting firm, as set forth in their report, which is incorporated herein by reference, and are included in reliance upon such report given on the authority of such firm as experts in accounting and auditing.

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PROSPECTUS

\$180,000,000

Senior Subordinated Convertible Notes due 2024

PROSPECTUS

August 12, 2005
